

**MINUTES OF A RECONVENED MEETING OF THE SUSTAINABLE GROWTH  
SCRUTINY COMMITTEE HELD AT THE BOURGES/VIERSEN ROOM - TOWN HALL  
ON 18 OCTOBER 2011**

**Members Present:** Councillors C Burton (Chairman), N Arculus, D Day, J Peach,  
E Murphy and N Sandford

**Also Present:** J Pusey, Peterborough Youth Council

**Officers Present:** John Harrison, Executive Director of Strategic Resources  
Paul Phillipson, Executive Director of Operations  
Margaret Welton, Principal Lawyer  
Peter Heath-Brown, Planning Policy Manager  
Harj Kumar, Senior Strategic Planning Officer  
Kim Sawyer, Head of Legal  
Dania Castagliolo, Governance Officer  
Louise Tyers, Compliance Manager

**1. Apologies for Absence**

Apologies for absence had been received from Councillors Allen and Fower. Councillor Sandford was in attendance as substitute.

Councillor Sandford advised that Councillor Fower had resigned as a member of the Committee and would be replaced by Councillor Sandford.

**2. Declarations of Interest**

Councillor Sandford declared a personal interest in item 4, Planning Policies Development Plan Document, as he was employed by the Woodland Trust.

**3. Manor Drive Managed Service**

The report gave an update on the actions taken in relation with the procurement of a suitable external partner for Manor Drive Managed Service.

The Council had a good record in maintaining good performance whilst driving out significant savings through the business transformation programme on the services provided by the Strategic Resources department. In the autumn 2010 it was decided to seek a suitable external partner to achieve further savings through adding scale to the operation and to serve as a catalyst for change to bring in new work, investment and improved delivery to Manor Drive, along with new job opportunities and business to Peterborough.

The following were the services to be included in the partnership at day 1:

- Shared transactional services;
- Business support;
- Financial systems support;
- Operational procurement;
- Business transformation and strategic improvement;
- Customer Services; and
- Strategic Property.

This would be a partnership that would evolve over time and there was potential for the Council to add other services during the partnership's life.

Significant savings of nearly £2m had already been delivered internally on Manor Drive services through service efficiencies, streamlining staff and processes and income generation. The October 2010 Comprehensive Spending Review had an impact on the Council's Medium Term Financial Plan which equated to a £25m net funding loss to the Council by 2014/15 and with pressures in other service areas such as adult social care, meant that the Council needed to look at alternative ways of providing services.

The Council was using the Competitive Dialogue Procedure under the EU procurement rules to procure a suitable partner for the Manor Drive services. The Competitive Dialogue Procedure was recognised as being appropriate for this type of procurement because there was a complex range of services which required innovative solutions by the bidders and this process enabled the Council to work with the bidders to assist them in developing their solutions to meet the Council's requirements and aspirations. The Competitive Dialogue Procedure was a rigorous process and involved a number of stages.

The Cabinet Member Decision Notice had now been published for its five day consultation period where it was being recommended that Serco be approved as the preferred bidder. It was expected that the decision would be signed off on 20 October 2011 and would be subject for the three day call-in period.

The Chairman reminded the Committee that the report was to scrutinise the process which had been followed and not the decision on which bidder should be appointed.

Questions and observations were asked around the following areas:

- To fully scrutinise the process all information was needed to be made available, the Cabinet Member Decision Notice had three exempt annexes and those needed to be available to ensure effective scrutiny.
- The Chairman confirmed that he had seen the exempt annexes and it was his view that they contained commercially sensitive information which could compromise future bids if the information was put in the public domain.
- The Compliance Manager confirmed that the Chairman and two Group Representatives of this Committee had all been sent copies of the exempt annexes as part of the consultation process on the Cabinet Member Decision Notice.
- The Executive Director of Strategic Resources clarified that the Cabinet Member Decision Notice had been published earlier than was required. It was not clear what benefit there was in the Committee seeing the exempt annexes. This was a significant value contract and the information was extremely sensitive. The point of tonight's meeting was to ensure a robust process had been followed. The Committee would not be able to take a view of whether a correct score had been applied in the evaluation without seeing the tender documents, which were very large.
- The Head of Legal confirmed that the Council would soon be entering a highly sensitive period when we would be open to challenge by any of the contractors for the decisions we had made during the process. It was her advice that the exempt information should not be made public. If the Committee wished to look at it then the meeting would have to go into exempt session.
- Some members felt that it would be helpful to see more information about the questions put to the bidders. Without more background it was not possible to say if the process followed was correct. What was the problem that this solution was trying to solve? *The process had started with the budget papers which had been published last November. The process was about looking to grow the service and identifying how it could grow.*

- Councillor Sandford stated that he did not believe the criteria for the bids was confidential. *It was confirmed that the exempt annexes did not contain details of the criteria but the bidders' scores, which was exempt information. The criteria could be made public and was already in the public domain but the Committee had not asked to see it.*
- Some members felt that the procedures around exempt information needed to be looked at to avoid this situation happening again in the future.
- The Head of Legal confirmed that the information contained in these annexes was highly confidential at this time but it could be that the information could be made public once the Alcatel period was over.
- The Decision Notice stated that officers were recommending the most economically advantageous bid was this the lowest priced bid or had there been a split between cost and quality? *Under EU regulations there were two options open to the Council in procuring this contract, one was to accept the lowest priced tender when we could only accept the lowest, the second option was to use the most economically advantageous tender which enabled a split between price and quality. For this contract the split was 60% price and 40% quality.*
- The report made reference to Key Performance Indicators and Performance Indicators, why was it felt 20% was sufficient to monitor the contract? *The key performance indicators were around collection of Council Tax and Business Rates, the percentage of invoices paid within 30 days, payroll and processing time of benefit claims. Officers could provide details of the specific criteria for the indicators.*
- Customer Services was one of the areas going to be outsourced and they were currently based in the city centre, what guarantees had been given about the continuity of an accessible service and not relocating. *Serco would not be allowed to relocate the Customer Access Centre without our permission; however there was no suggestion that the call centre would be moved out of Peterborough. Serco were about building their business in Peterborough.*
- Serco currently managed our IT service and their help desk was based in Birmingham with the calls being referred back to Peterborough. *The two call centres were very different including size, again Serco could not move the call centre without our permission.*
- If the Council decided to sell Bayard Place where the Customer Access Centre was based what would then happen? *The Council would then decide where the Centre would be located.*
- How many people would be outsourced? *Approximately 450 staff would be transferred to Serco, however some of those would be short term temporary staff such as electoral canvassers.*
- Had Serco given solid assurances about keeping jobs in the city and about growth? Would the contract be able to be terminated if the jobs did not arrive? *Within their successful bid Serco had given an assurance that jobs would be coming into the City during the first 12 months of the contract. If the assurance had not been guaranteed then it had not been scored as part of the evaluation process. The contract could be terminated but it would need a fundamental breach of contract, for example non-delivery of services or poor performance.*
- Would it be possible to award the contract for a shorter time period for example to renegotiate more jobs coming? *That would be too late as the contract had been advertised as 10 years with two five year extensions. The sector would not be interested in shorter contracts. We had engaged with the market place before the process began about the length of the contract and no one would have wanted five years.*
- Would a private company be able to employ the staff for a statutory function such as electoral canvassing? *The responsibility for the canvass would remain with the Council and all that Manor Drive did was to secure the people to undertake the canvass by delivering and collecting forms. Responsibility for preparing the Register of Electors would still remain with the Council.*

- What was the make up of the Strategic Partnership Board? *The Board included the Cabinet Members for Resources and Culture, Recreation & Strategic Commissioning and Executive Director or Strategic Resources. Serco would also have three representatives.*
- Why were bereavement and the Register Office not being outsourced? *The process was around the back office services and those two services were seen as high profile public facing services. Internal Audit, Strategic Finance and the client and commissioning side were also not part of the contract.*
- Would Serco be branded Peterborough City Council in any way? *Branding was an important issue and would be looked at in early November. However Serco would be delivering the services and bidding for new contracts.*
- Would Serco be providing staff for the elections such as Presiding Officers and Count Assistants? *That had not been worked through yet in detail but they may run the administration in appointing staff.*
- Would this lead to confusion about to whom and how to complain about services, following the experience of Enterprise. There could be three ways to complain – through the call centre (run by Serco), service delivery (through Enterprise) but the Council was responsible for the service. *It would be essential to ensure the processes were right at the start to avoid any complications; however this was not unusual in the new way local government services were delivered.*
- Are Serco and the other bidders subject to the same Code of Conduct council staff were covered by, for example declaring interests etc? *No, as those standards did not apply to the private sector, however the principles would apply when letting contracts on our behalf.*

#### **ACTION AGREED**

- (i) To note the report.
- (ii) To ensure that when considering similar reports in the future as much information as possible is made available.
- (iii) That a report is brought to a future meeting to consider how the contract is progressing.

#### **4. Planning Policies Development Plan Document**

The report presented the proposed submission version of the Planning Policies Development Plan Document (DPD).

The Planning Policies DPD sets out the detailed development control planning policies which would be used day-to-day by planning officers and the Planning and Environmental Protection Committee when considering the detailed aspects of planning applications. The Planning Policies DPD sat beneath the Peterborough Core Strategy which had been adopted in February 2011.

The document had been consulted on during February and March 2011 and all of the comments made at that stage had been analysed and taken into consideration when formulating the policies in the Proposed Submissions document.

The document would be considered by Cabinet on 7 November 2011 and Council on 7 December 2011. Following consultation it would undergo independent examination by a Planning Inspector and Council should adopt the final plan in December 2012.

Comments and observations were made around the following areas:

- Policy PP11 - Parking Standards. When the Peterborough Regional College was looking to expand they had great difficulty in getting more car parking at the College

- so a lot of cars were blocking surrounding residential roads and causing problems for local residents. *The standards in relation to residential developments were the minimum that would be expected. The current government was more relaxed on parking standards and the Council had looked to increase the standards. With Houses in Multiple Occupation (HMO) the standard had increased to one parking space for each bedroom. There were design implications around parking and officers would negotiate if it was known problems would be created. The standards for educational establishments were the maximum standards however if a clear case could be put forward then allowing more than the maximum could be considered.*
- *If the Council would consider allowing more than the maximum in some cases then that needed to be made clear within the document, however would it happen in reality? The wording of the policy at paragraph 2.11.5 did say that it could be occasionally justified when all alternatives had been explored.*
  - *The previous government had stated the maximum levels of parking and this was now being addressed by the current government so that residential areas had minimum requirements. This requirement did not apply to commercial or educational areas so there was a need to encourage the use of alternative modes of travel particularly in the City Centre.*
  - *Some commercial areas of the city such as Orton Southgate did not have sufficient parking for their employees, should there be some sites where the standard was one parking space per employee? The Council had an aspiration to be the Home of Environment Capital. There needed to be sustainable solutions in place and a pragmatic approach using a variety of tools including travel plans. Some sites would need to be looked at individually for their parking requirements.*
  - *What was the reasoning behind one parking space for each bedroom in HMOs as many of the residents would be students or young people who might not be able to afford a car? The proposed standards had come following advice from transport colleagues. HMOs caused a lot of problems in some areas and the number one problem was parking and the proposed standard was looking to redress the balance. It was about looking to ensure that problems were not created in the future. Also, some forms of development did not require planning permission and this policy would only take effect when planning permission was required.*
  - *With regard to open space, why had Atkins undertaken the study into open space when Opportunity Peterborough had undertaken some work? Officers were not aware of the work undertaken by Opportunity Peterborough. The open space standards had been set in line with government guidance.*
  - *The policy on prestigious homes (PP4) makes reference to top-of-the-range homes enabling business leaders to live locally, however it was not just business leaders who wanted prestigious homes. Also it was not clear what section (b) of the policy meant, what was reasonable? The wording of the policy was to give some discretion but there would be guidance on what we would expect people to have done before losing a prestigious dwelling.*
  - *Planning Policy 4 – Prestigious Homes was there to promote the supply of prestigious homes and the Committee supported the need for more homes, however the policy appeared to be against that. There was a mistake in the summary of comments and changes document and it should read that the policy protected existing top-of-the-range prestigious homes. Prestigious homes were important and featured in the Core Strategy. The Site Allocations document identified land which had been allocated to prestigious homes and the planning policy protected existing prestigious homes.*
  - *Would the planning policies be implemented retrospectively? The policies would not be implemented retrospectively and would be effective only when applying for planning permission. Enforcement action would be taken if necessary.*
  - *The government was currently consulting on a National Planning Policy Framework. If our Plan was not adopted by December 2012 would our Core Strategy give us enough policy without having to rely on the National Planning Policy Framework?*

- Officers could not give a guarantee however we were well placed in Peterborough as we had an up to date Core Strategy in place which had a number of safeguards in it.*
- *Planning Policy 10 – Transport Implications of Development made reference to consideration of the Transport User Hierarchy, however more emphatic wording was needed as there was a need for clear policies around areas such as transport. When considering planning applications a number of factors would be taken into account including the Core Strategy and transport. Including the Transport User Hierarchy in the policy brought it to the attention of planners.*
  - *Planning Policy 12 – Open Space Standards made reference to the Woodland Access Standard but it did not appear in the appendix, why? The open space standards did not consider woodland as guidance was already available in Planning Policy Guidance 17.*
  - *Planning Policy 17 – Ancient, Semi-natural woodland and Ancient and Veteran Trees stated that planning permission would not be granted for developments which would adversely affect an area of ancient, semi-natural woodland or an ancient or veteran tree. It had been a strong policy but now had had a clarification added that where there was a need or public benefit for the development in that location that would outweigh the loss of the woodland or tree. All developers would argue that that there was an economic benefit for the loss of woodland, however the consultation comments showed that no comments were received so why had the policy wording been changed? The change had been proposed by the Head of Service as he felt that there needed to be some explanation of the circumstances when it may be of benefit. Developers would have to clearly demonstrate the need and public benefit of the loss and it would be a balancing act. The new wording recognised that there may be some circumstances where there was benefit in the loss of a tree. Changes to proposed policies came from a number of different sources, for example something may have been missed when pulling the policy together, case law or changes in legislation. The document would be published again for consultation and would still be open for challenge.*
  - *Ancient woodland was over 400 years old and could not be removed and replaced. The proposed wording is from the National Planning Policy Framework which would impose minimum standards and was not yet government planning policy.*
  - *Members of the Committee supported the view that it was strange that even though there had been no comments on a policy it had still been changed. This meant that the change could not be open to consultation.*
  - *Planning Policy 13 – Nene Valley, was there a map showing the Nene Valley and the areas which would be promoted for development? It was included on the Proposals Map, copies of which had been placed the Group Rooms. The policy was looking to treat the Nene Valley in a holistic way and to protect its character. It would encourage development and ensure quality development.*
  - *How had the list of buildings of local importance been put together as there were some noticeable omissions in some wards? Criteria had been developed along with the Parish Councils and Peterborough Civic Society. The list did not include Grade I or II listed buildings as they were already on a national list. If members had anymore buildings they would like to be considered, please let the Principal Built Environment Officer know and he would look at them against the criteria.*
  - *Would the area which had been allocated as the City Centre be able to be reviewed as due to the way the various Local Development Framework documents had been put together meant that members had not been able to take a holistic view as they had all been considered individually? There were a number of anomalies in the City Centre, for example Railworld. The City Centre boundary had already been decided however it had not been decided what to do in that area.*

## **RECOMMENDATION**

That the Cabinet be recommended that:

- (i) Appendix B – Open Spaces Standards, be amended to include reference to the Woodland Access Standard.
- (ii) The original wording of PP17 – Ancient, Semi-Natural Woodland and Ancient and Veteran Trees, be reinstated as no comments have been received from members of the public during the public consultation and the proposed change made by the Head of Service has not been open to public consultation.

**5. Forward Plan of Key Decisions**

The Committee received the latest version of the Council's Forward Plan, containing key decisions that the Leader of the Council anticipated the Cabinet or individual Cabinet Members would make during the course of the following four months. Members were invited to comment on the Plan and, where appropriate, identify any relevant areas for inclusion in the Committee's work programme.

**ACTION AGREED**

To note the latest version of the Forward Plan.

**6. Work Programme**

Members considered the Committee's work programme for 2011/12.

**ACTION AGREED**

To confirm the work programme for 2011/12.

**7. Date of Next Meeting**

Tuesday 8 November 2011 at 7pm

CHAIRMAN  
7.00 - 9.55 pm

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