

**MINUTES OF THE EXTRAORDINARY CABINET MEETING
HELD AT 2:00PM, ON
MONDAY, 18 DECEMBER 2017
BOURGES/VIERSEN ROOM, TOWN HALL, PETERBOROUGH**

Cabinet Members Present: Councillor Holdich (Chair), Councillor Ayres Councillor Elsey, Councillor Fitzgerald, Councillor Hiller, Councillor Lamb, Councillor Seaton, Councillor Smith, and Councillor Walsh

Cabinet Advisors Present: Councillor Allen and Councillor Stokes

44. APOLOGIES FOR ABSENCE

No apologies for absence were received.

45. DECLARATIONS OF INTEREST

No declarations of interest were received.

STRATEGIC DECISIONS

46. PROPOSAL FOR THE TERMINATION OF THE CONTRACT WITH ENTERPRISE MANAGED SERVICES LIMITED AND THE FUTURE PROVISION OF SERVICES

The Cabinet received a report and supplementary report in relation to proposal for the Council's current contract for services with Enterprise Managed Services Limited (EMS) to terminate by mutual agreement.

The purpose of the report was to seek approval from Cabinet to formally terminate the existing EMS contract and to commence arrangements to identify and put in place replacement contracts or other alternative provision for those services.

It was advised that the call-in period for the decision had been waived by the Chairman of the Growth, Environment and Resources Scrutiny Committee. This was because Amey's year end was December this allowed for their budget year forward planning. As such the Council needed to make payment in December to meet their year-end. If call-in was in place these deadlines were not achievable.

The Cabinet Member for Waste and Street Scene introduced the report and advised that when the EMS contract had begun, the Council was operating in a very different environment. The service had commenced at a very high standard, although challengers were faced around the number of key performance indicators in place. It was noted that Amey had delivered significant levels of savings for the Council in the years that they had been working together. Amey had also been instrumental in introducing food waste and garden waste services, and the staff were thanked for their efforts.

However, it was recognised that the contract had not operated as commercially as the Council had hoped. Rates of recycling had fallen and the level of complaints had

increased. Amey were being asked for additional services on a decreased budget, an arrangement which was no longer workable. As such, it was mutually pragmatic for the contract to end and to split the services into smaller contract to attract interest from experts.

Cabinet debated the report and in summary, key points raised and responses to questions included:

- It was confirmed that should Cabinet agree to terminate the contract, Amey's services would continue until August 2018.
- Officer would be exploring the possibility of working between various individual contacts to ensure that work was carried out in a practical fashion.
- The Cabinet Member for Waste and Street Scene would keep Cabinet Members informed once bidders for the new contracts were in place and once the Council was in a position to award the contracts.
- It was advised that parish councils may be interested in taking on additional responsibilities. Officers confirmed that this would be explored in the new contracts.
- It was proposed to split the contract into several smaller contracts to ensure that specific services were delivered by those with the relevant skills set, with specific tenders.
- As the contract was to be ended mutually, there would be no additional payment to Amey.

Cabinet considered the report and **RESOLVED** (unanimous) to:

1. Authorise the entering into a Deed of Termination relating to the Council's contract for services with Enterprise Managed Services Limited;
2. Agree for the Cabinet Member for Waste and Street Scene to approve the award of replacement contracts or arrangement of alternative provisions for all services currently provided under the Enterprise Managed Services contract (such steps to include matters relating to contracts, leases and other relevant legal documentation and pensions arrangements) including:
 - Refuse, street cleansing vehicle workshop
 - Parks and open spaces
 - Property maintenance and property cleaning
 - Community link and home to school transport
 - Grounds and trees maintenance
 - Catering

REASONS FOR THE DECISION

The current EMS contract was no longer fit for purpose. The new contracts and service delivery arrangements would improve service delivery, achieve value for money, and be more responsive to the Council's changing needs. One of the key objectives would be to increase the levels of and quality of recycling to reduce potential treatment costs.

ALTERNATIVE OPTIONS CONSIDERED

Do nothing and remain with EMS. This option was ruled out due to performance concerns in connection with the EMS contract rendering improvements unlikely within the current operating climate.

Bring the services in house as a whole. This was ruled out due to a number of disadvantages related to the management resource required to establish the significant team necessary to operate the services in house. It would also run counter to the trend towards a commissioning council model which the Council is increasingly adopting across its service areas.

Chairman
2:00pm – 2:19pm
18 December 2017

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