

Decision Notice (5 December 2019)

Published 9 December 2019

This document lists the decisions taken by Cabinet at a meeting held on Thursday, 5 December 2019. The list covers key and non-key decisions. A decision may be implemented with immediate effect, unless it is eligible for call-in as identified below, whereupon a decision will not be implemented until five working days have elapsed.

Agenda Item No	Decision	Reasons for Decision	Any Options Rejected?	Declared Conflict of Interest	Eligible for call in?
<p>A10</p>	<p><u>HTS (Property and Environment) Ltd Best Value Review</u></p> <p>Key decision? Yes</p> <p>RESOLVED that:</p> <p>A The Best Value Review into Harlow Trading Services (Property and Environment) Ltd (HTS) and associated recommendations be received.</p> <p>B HTS be advised that the current contract will be extended for the maximum five year period provided for within the current contract subject to (C) below.</p>	<p>A On making the decision to set up the LATC, Cabinet requested a report demonstrate that the LATC is achieving value for money.</p> <p>B Under the terms of the current Services Agreement with HTS the Council is required to consider whether or not to extend the contract for the provision of services by for a further five years.</p>	<p>None</p>	<p>None</p>	<p>Yes</p>

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	<p>C Subject to B being approved above:</p> <ul style="list-style-type: none"> i) The recommendations of the Best Value report be adopted as an action plan for the contract extension with the recommendations below required to be completed as part of the pre-contract extension process: <ul style="list-style-type: none"> a) Variation of the cost reporting structure for HTS to correlate with the Council's cost centre arrangements (Economy Recommendation 1); b) The annual contractual price indexation being changed 				

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	<p>(Economy Recommendation 2);</p> <p>c) The setting of the mix of third party works, and directly awarded Council capital works, the Local Authority Trading Company (LATC) is to deliver (Economy Recommendation 3);</p> <p>d) Alternative mechanisms for penalty and/or reward under the contract, are put in place (Economy Recommendation 17); and</p> <p>ii) The Chief Executive, in consultation with the</p>				

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	<p>Leader of the Council, is delegated authority to negotiate and agree all matters in respect of the extension of the contract for the continued provision of services by HTS.</p> <p>D The 'Business as Usual' activities in Appendix 2 of Appendix A are monitored for their completion by the Shareholder Sub Committee.</p>				
A11	<p><u>Treasury Management Strategy Statement 2019/20: Mid-Year Review</u></p> <p>Key decision? Yes</p> <p>RESOLVED that:</p> <p>A The Mid-Year Review of the Treasury Management Strategy, as set out in Appendix A to the report, be noted and referred to Council</p>	<p>A Compliance with the Chartered Institute of Public Finance and Accountancy (CIPFA) Treasury Management Code of Practice, requires that Council is presented with a mid-year report on The Treasury Management Strategy Statement (TMSS).</p>	None	None	No

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	for consideration.				
A12	<p><u>Joint Finance and Performance Report, Quarter 2 2019/20</u></p> <p>Key decision? No</p> <p>RESOLVED that Cabinet:</p> <p>A Noted the projected outturn position set out in sections three and four of Appendix A to this report for the second quarter (July – Sept) of 2019/20 as follow:</p> <ul style="list-style-type: none"> i) An adverse variation on controllable budgets of £441,000 representing 0.81 per cent of the gross General Fund Budget. ii) A total projected underspend of £75,000 representing -0.14 per cent of the gross General Fund Budget. 	<p>A To ensure that Cabinet reviews performance against the Council's approved General Fund Budget and Corporate Plan for 2019/20 and acknowledges the small variation to the forecast outturn position.</p>	None	None	No

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	<p>iii) The Council performed on or above target for 48 out of 49 (98 per cent) of its quarterly performance indicators.</p>				
<p>A13</p>	<p><u>Housing Revenue Account, Quarter 2 Finance Report 2019/20</u></p> <p>Key decision? No</p> <p>RESOLVED that:</p> <p>A Noted:</p> <p>i) A favourable variation against the approved HRA operational/controllable budget of £272,000 representing (-)0.05 per cent of the gross Housing Revenue Account (HRA) budget.</p> <p>ii) An unfavourable non-operational variance of</p>	<p>A To ensure that Cabinet reviews performance against the approved HRA Business Plan and acknowledges the operational variations in light of the challenges the Council may face in this financial year and future years.</p>	<p>None</p>	<p>None</p>	<p>No</p>

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	<p>£489,000 representing 0.1 per cent of gross HRA budget which includes adjustments to housing capital programme financing resulting from the re-alignment of budgets and associated funding.</p> <p>B Noted the forecast balance at 31 March 2020, of £6,826,000 in respect of the Housing Revenue Account and nil in respect of the Major Repairs Reserve (MRR).</p>				
A14	<p><u>Capital Programmes, Quarter 2 Finance Report 2019/20</u></p> <p>Key decision? No</p> <p>RESOLVED that Cabinet:</p> <p>A Noted the progress in the delivery of the Council's Housing and Non Housing Capital Programmes as at</p>	<p>A To ensure that Cabinet reviews performance against the Council's approved 2019/20 Housing and Non Housing Capital Programmes.</p>	None	None	No

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	<p>Quarter 2 (29 September 2019) as follows:</p> <ul style="list-style-type: none"> i) Housing Capital Programme – forecast outturn £21,615,000 (revised estimate £23,743,000). ii) Non Housing Capital Programme – forecast outturn £14,559,000 (revised estimate £19,654,000). <p>B Approved a business case in the Non Housing Capital Programme for new CCTV in Old Harlow (£31,000) to improve the images available to assist with tackling crime and anti-social behaviour.</p> <p>C Approved capital funding in the Housing Capital Programme of £140,000 for the purchase of the 50 per cent interest in an equity share property in Little Pynchons. The Council</p>				

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	<p>currently owns a 50 per cent interest and the purchase of the other half interest in the property will add a three bed house to the lettable social housing stock. This purchase falls outside of the rules for the use of retained receipts.</p> <p>D Noted purchase of the freehold of Osler House (£200,000) from Harlow Health Centres Trust under an Option Agreement dated 15 January 2016, as part of the development work at Prentice Place.</p>				
A15	<p><u>Contract Award for Insurance Services</u></p> <p>Key decision? Yes</p> <p>RESOLVED that Cabinet:</p> <p>A Noted the outcome of the insurance tender process for the Council's main insurance</p>	<p>A To enable the Council to enter into contracts for insurance service provision in compliance with OJEU and Standing Orders Relating to Contracts and Financial Regulations.</p> <p>B With regard to recommendation E, terms</p>	None	None	Yes

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	<p>programme as detailed below:</p> <table border="1" data-bbox="315 421 808 1430"> <thead> <tr> <th data-bbox="315 421 499 571">Policy Type</th> <th data-bbox="499 421 667 571">2020 Best Insurer Premium</th> <th data-bbox="667 421 808 571">Best Insurer</th> </tr> </thead> <tbody> <tr> <td data-bbox="315 571 499 874">Lot 1 – Material Damage, Business Interruption, Money and Specified All Risks</td> <td data-bbox="499 571 667 874">£89,520.06</td> <td data-bbox="667 571 808 874">Zurich Municipal Insurance</td> </tr> <tr> <td data-bbox="315 874 499 1002">Lot 2 – Property Owners</td> <td data-bbox="499 874 667 1002">£32,989.77</td> <td data-bbox="667 874 808 1002">QBE Insurance via RMP</td> </tr> <tr> <td data-bbox="315 1002 499 1161">Lot 3 – Contractor’s All Risks</td> <td data-bbox="499 1002 667 1161">£6,626.07</td> <td data-bbox="667 1002 808 1161">HSB Engineering via RMP</td> </tr> <tr> <td data-bbox="315 1161 499 1326">Lot 4 - Terrorism</td> <td data-bbox="499 1161 667 1326">£17,436.00</td> <td data-bbox="667 1161 808 1326">Lloyd’s Underwriters via Alesco</td> </tr> <tr> <td data-bbox="315 1326 499 1430">Lot 5 – Employer’s Liability,</td> <td data-bbox="499 1326 667 1430">£163,032.79</td> <td data-bbox="667 1326 808 1430">Zurich Municipal</td> </tr> </tbody> </table>	Policy Type	2020 Best Insurer Premium	Best Insurer	Lot 1 – Material Damage, Business Interruption, Money and Specified All Risks	£89,520.06	Zurich Municipal Insurance	Lot 2 – Property Owners	£32,989.77	QBE Insurance via RMP	Lot 3 – Contractor’s All Risks	£6,626.07	HSB Engineering via RMP	Lot 4 - Terrorism	£17,436.00	Lloyd’s Underwriters via Alesco	Lot 5 – Employer’s Liability,	£163,032.79	Zurich Municipal	<p>have been sought from insurers well in advance of the renewal date to accommodate the Council’s budgetary process and tenderers will not hold terms open until that date. In view of this, a mechanism has been included within the ITT to request that terms be held open, subject to a review of claims experience as at 31 January 2020, until 1 April 2020. If the successful tenderers seek to revise terms based on updated claims experience, the Council reserves the right to go back to unsuccessful tenderers with the updated claims experience and seek revised terms from them. If these terms prove to be better than the successful tenderers, then the Council reserves the right to change the award of contracts accordingly.</p>			
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	Public/Products Liability, Officials Indemnity, Libel & Slander, Land Charges and Public Health Act		Insurance				
	Lot 6 – Professional Indemnity	£4,258.82	QBE Insurance via RMP				
	Lot 7 - Crime	£4,411.76	QBE Insurance via RMP				
	Lot 8 - Computer	£2,923.81	HSB Engineering via RMP				
	Lot 9 – Engineering Inspection & Insurance	£33,479.64	Zurich Municipal Ins				
	Lot 10 – Motor Fleet	£3,320.06	Zurich Municipal Ins				

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	<table border="1" data-bbox="315 347 808 986"> <tr> <td>SUB-TOTAL</td> <td>£357,998.78</td> <td></td> </tr> <tr> <td>Claims Handling (Liability only)</td> <td>Not applicable</td> <td></td> </tr> <tr> <td>Insurance Premium Tax @ 12%</td> <td>£39,941.97</td> <td></td> </tr> <tr> <td>VAT (Claims Handling and Engineering Inspection only) @ 20%</td> <td>£5,029.80</td> <td></td> </tr> <tr> <td>GRAND TOTAL</td> <td>£402,970.55</td> <td></td> </tr> </table> <p data-bbox="315 1027 808 1321">B Noted the outcome of the insurance tender process for Residential leaseholders Buildings Insurance as detailed within this report, which will be awarded to Ocaso SA subject to the outcome of the second leaseholder consultation.</p> <p data-bbox="315 1359 808 1402">C Delegated authority to the</p>	SUB-TOTAL	£357,998.78		Claims Handling (Liability only)	Not applicable		Insurance Premium Tax @ 12%	£39,941.97		VAT (Claims Handling and Engineering Inspection only) @ 20%	£5,029.80		GRAND TOTAL	£402,970.55					
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	<p>Head of Finance and Deputy to the Chief Executive to make final contract awards following the outcomes of any minor clarifications, which are not expected to materially affect the evaluation.</p> <p>D Approved the retention of Arthur J Gallagher as insurance brokers for the duration of the Long Term Agreement.</p> <p>E Delegated authority to the Head of Finance and Deputy to the Chief Executive and to seek revised terms from unsuccessful tenderers as set out in the Invitation to Tender (ITT) should the need arise once quoted premiums have been reviewed based on claims experience as at 31 January 2020 and to reflect any portfolio changes since submission of the ITT.</p>				

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<p>A16</p>	<p><u>Award of Contract for Replacement of Water Main and Central Heating Systems - Moor Tower, Nicholls Tower, Stort Tower and Edmunds Tower</u></p> <p>Key decision? Yes</p> <p>RESOLVED that:</p> <p>A The most economically advantageous tender submitted by Contractor A be accepted in the sum of £2,739,481.88 subject to subject to contract and Leaseholder consultation.</p>	<p>A To enable the Council to enter into a contract for these works in compliance with Contracts Standing Orders.</p>	<p>None</p>	<p>None</p>	<p>Yes</p>
<p>A17</p>	<p><u>Flat Block Refurbishment - Little Brays</u></p> <p>Key decision? Yes</p> <p>RESOLVED that:</p> <p>A The most economically advantageous tender submitted by Contractor C be accepted in the revised sum of £419,597.98</p>	<p>A To enable the Council to enter into a contract for these works in compliance with Contracts Standing Orders.</p>	<p>None</p>	<p>None</p>	<p>Yes</p>

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	for the delivery of external refurbishment and repairs to five flat blocks at Little Brays subject to formal contract and leaseholder consultation.				
A19	<p><u>Referral from Shareholder Sub Committee - Replacement of HTS (Property and Environment) Ltd Fleet</u></p> <p>Key decision? Yes</p> <p>RESOLVED that:</p> <p>A A loan to HTS (Property and Environment) Ltd (HTS) of £670,000 be approved, in principle, for the purpose of purchasing 43 new vehicles.</p> <p>B HTS (Property and Environment) Ltd be requested to mitigate actions to alleviate any impact on climate change. In addition, to keep under review changes to electric vehicle technology so that they</p>	<p>A To enable HTS to replace ageing vehicles as part of its ongoing vehicle refresh programme.</p> <p>B To reduce HTS's carbon output following the Council's declaration of a Climate Emergency.</p>	None	None	Yes

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	are well placed to take advantage for the next fleet renewal period.				
A19	<p><u>Referral from Cabinet Overview Working Group - Local Council Tax Support Scheme Proposals 2020/21</u></p> <p>Key decision? Yes</p> <p>RESOLVED that:</p> <p>A Cabinet recommended to Full Council that the current Local Council Tax Support Scheme remains unchanged for 2020/21.</p>	<p>A The Cabinet Overview Working Group (COWG) considered a report on the review of the Local Council Tax Support Scheme (LCTSS) at meeting on 28 November 2019 and referred the matter to Cabinet for consideration.</p>	None	None	No