

# BIRMINGHAM CITY COUNCIL

<b>CORPORATE RESOURCES OVERVIEW AND SCRUTINY COMMITTEE 10 MAY 2016</b>
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**MINUTES OF A MEETING OF THE CORPORATE RESOURCES  
OVERVIEW AND SCRUTINY COMMITTEE HELD ON TUESDAY  
10 MAY 2016 AT 1400 HOURS, IN COMMITTEE ROOM 3,  
COUNCIL HOUSE, BIRMINGHAM**

**PRESENT:-**

Councillor Zaffar in the Chair;

Councillors Bridle, Chatfield, Hunt, C Khan, Lal, and Wood.

**ALSO PRESENT**

Councillor T Ali – Cabinet Member for Development, Transport and the Economy

Councillor Stacey – Cabinet Member for Commissioning, Contracting and Improvement

Mr R Cowell – Assistant Director, Development

Ms J Power – Scrutiny Officer

Miss V Williams – Committee Manager

Ms E Williamson – Head of Scrutiny Services

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**NOTICE OF RECORDING/WEBCAST**

- 105 The Chairman advised, and the Committee noted, that this meeting would be webcast for live or subsequent broadcast via the Council's Internet site ([www.birminghamnewsroom.com](http://www.birminghamnewsroom.com)) and members of the press/public could record and take photographs. The whole of the meeting would be filmed except where there were confidential or exempt items.

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**APOLOGIES**

- 106 Apologies for non-attendance were submitted on behalf of Councillors Brew, Finnegan, Kooner, Mosquito and Sambrook.
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**MINUTES**

- 107      The Minutes of the meetings held on 4 and 12 April 2016, having been previously circulated, were confirmed and signed.
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**REQUEST FOR CALL-IN: CENTENARY SQUARE PUBLIC REALM  
IMPROVEMENT SCHEME: FULL BUSINESS CASE AND CONTRACT  
AWARD**

The Committee considered the 'request for call-in' made in respect of a decision by the Cabinet on 19 April 2016 regarding the Centenary Square public realm improvement scheme: full business case and contract award.

The following documents were submitted:-

- (A)      The public Executive decision record.
- (B)      The relevant form for the 'request for call-in' lodged by Councillors Jon Hunt and Randal Brew.
- (C)      The public report considered by Cabinet in reaching its decision.
- (D)      The criteria for 'call-in' against which the Council expects an Overview and Scrutiny Committee to judge any 'request for call-in'.

(See document No 1)

Councillor T Ali, Cabinet Member for Development, Transport and the Economy, and Councillor Stacey, Cabinet Member for Commissioning, Contracting and Improvement, attended the meeting accompanied by Mr R Cowell, Assistant Director – Development.

The Chairman made introductory comments and invited Councillor Hunt to outline the reasons for the 'request for call-in'.

Upon being invited to comment, Councillor Hunt outlined the grounds for the request for call-in referring to the criteria submitted:-

- 4      the Executive appears to have failed to consult relevant stakeholders or other interested persons before arriving at its decision;
- 7      the decision appears to be particularly 'novel' and therefore likely to set an important precedent;
- 8      there is a substantial lack of clarity, material inaccuracy or insufficient information provided in the report to allow the Overview and Scrutiny Committee to hold the Executive to account and/or add value to the work of the Council;

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- 9 the decision appears to give rise to significant legal, financial or propriety issues.

Councillor Hunt explained the reasons for the request for call in and the following were amongst the points made:-

1. He questioned the level of public consultation that had taken place regarding the different design options.
2. There was a lack of detail, particularly regarding the repair and maintenance of the square and the proposed water feature.
3. The method of allocating the contract was novel.
4. Originally there were four contractors involved in the allocation process. However, one declined to bid and another withdrew, leaving only two contractors.
5. He was concerned that costs should not over-run and that the scheme should achieve value for money.

Upon being invited to respond to the issues raised and comments made, Councillor T Ali, Cabinet Member for Development, Transport and the Economy, and Councillor Stacey, Cabinet Member for Commissioning, Contracting and Improvement, made the following points:-

1. The contract had been awarded using the Early Contractor Involvement (ECI) method, which was the government's recommended approach to contracting that supported improved team working, innovation and planning to deliver value for money.
2. The design would include the ability to accommodate concerts, the Christmas Fair, the big wheel, ice rink and the Remembrance Day Service and Parade centred on the Hall of Memory.
3. There would be adequate resources available for the repair and maintenance of the square.
4. It was up to each contractor to decide whether or not they wished to take part in the allocation process.
5. The consultation and allocation processes had been thorough and fair.
6. Any savings regarding the scheme would be shared with the contractor.
7. Councillor Stacey undertook to circulate a briefing paper regarding ECI to Members.
8. The awarding of the contract complied with all guidelines and standing orders etc.
9. Paragraph 5.17 of the report set out the timescales for project delivery.

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10. It was important to learn from how previous contracts had been handled and ensure that deadlines etc were met. The purpose of ECI was to try to 'design out' any problems beforehand.
11. A robust project delivery plan would be put in place in order to mitigate any risk of slippage of timescales as detailed in appendix 1a point 4.
12. Information regarding cost increase/time overrun of delivery was detailed in appendix 1a point 6.
13. The cost of contingency plans would normally be covered by the construction/design figure.
14. The European bid was made when the Constructing West Midlands Framework Agreement was set up.

At 1437 hours Councillors Ali and Stacey and Mr Cowell withdrew whilst the Committee considered the points highlighted earlier in the meeting.

Councillor Hunt considered that the responses received from the Cabinet Members to issues raised were unsatisfactory and a brief discussion ensued regarding the possible way forward.

At 1445 hours Councillors Ali and Stacey and Mr Cowell returned to the meeting.

In response to a question by Councillor Hunt, Councillor Stacey explained that the report had been considered as urgent business at Cabinet on 19 April 2016 because to have delayed making a decision could have had a significant impact on the deliverability of the project.

The Chairman informed Councillors Ali and Stacey that it had been suggested that they should provide re-assurance regarding managing the risks and the robustness of the contract. It had also been suggested that the Committee should receive regular updates on the progress of the redevelopment of Centenary Square.

Councillors Ali and Stacey agreed to those suggestions and on that basis Councillor Hunt agreed to withdraw the request for call in.

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**RESOLVED:-**

That, it be noted that Councillor Hunt agreed to withdraw the request for call in on the basis that re-assurance will be provided regarding managing the risks and the robustness of the contract and that the Committee will receive regular updates on the progress of the redevelopment of Centenary Square.

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**REQUEST(S) FOR CALL IN/COUNCILLOR CALL FOR ACTION/PETITIONS  
RECEIVED (IF ANY)**

- 109 The Chairman advised that there had been no other requests for call in/  
councillor call for action/petitions received.
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**OTHER URGENT BUSINESS**

- 110 No other urgent business was raised.
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**AUTHORITY TO CHAIRMAN AND OFFICERS**

- 111 **RESOLVED:-**

That in an urgent situation between meetings the Chair, jointly with the relevant  
Chief Officer, has authority to act on behalf of the Committee.

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**EXCLUSION OF THE PUBLIC**

- 112 **RESOLVED:-**

That, in view of the fact that the reason for the request for call in had no bearing  
on the contents of the private report, it was not necessary to go into private or  
exclude the public from the meeting. All discussions took place in public.

However, for clarity and future reference, the following report is interleaved as a  
private document.

**Agenda Item etc**

**Paragraph of Exempt  
Information Under Revised  
Schedule 12A of the Local  
Government Act 1972**

Request for Call In: Centenary Square 3  
Public Realm Improvement Scheme: Full  
Business Case and Contract Award

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The meeting ended at 1455 hours.

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CHAIRMAN