

CONTRACT SCRUTINY COMMITTEE AGENDA



Monday, 15 December 2008

at 10.00 am

in Committee Room A

MEMBERS: CONTRACT SCRUTINY COMMITTEE:

Councillors Aiken, Allison, Atkinson, S Cook, Laffey, Richardson, Simmons,
Sutheran
The Mayor, Stuart Drummond

- 1. APOLOGIES FOR ABSENCE**
- 2. TO RECEIVE ANY DECLARATIONS OF INTEREST BY MEMBERS**
- 3. MINUTES**
 - 3.1 To confirm the minutes of the meeting held on 1 December 2008
- 4. ITEMS FOR INFORMATION**

None
- 5. ANY OTHER ITEMS WHICH THE CHAIRMAN CONSIDERS ARE URGENT**
- 6. LOCAL GOVERNMENT (ACCESS TO INFORMATION) (VARIATION) ORDER 2006**

EXEMPT ITEMS

Under Section 100(A)(4) of the Local Government Act 1972, the press and public be excluded from the meeting for the following items of business on the grounds that it involves the likely disclosure of exempt information as defined in the paragraphs referred to below of Part 1 of Schedule 12A of the Local Government Act 1972, as amended by the Local Government (Access to Information) (Variation) Order 2006

7. OPENING OF TENDERS

- 7.1 Opening of Cash in Transit Tender (Contract Reference Number 313) –
Revenues Manager

8. ITEMS REQUIRING DECISION

None

9. ANY OTHER CONFIDENTIAL ITEMS WHICH THE CHAIRMAN CONSIDERS ARE URGENT

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CONTRACT SCRUTINY COMMITTEE

MINUTES AND DECISION RECORD

1 December 2008

The meeting commenced at 10.00 a.m. in the Civic Centre, Hartlepool

PRESENT: Councillor Laffey (In the Chair);
Councillors Aiken, Allison, Atkinson, Richardson, Simmons
The Mayor, Stuart Drummond

OFFICERS: Graham Frankland, Head of Procurement, Property and Public
Protection
Karen Burke, Senior Procurement Officer
Tim Rogers, Support Services Manager
Dave Morton, Interim Fleet Manager
Ron McKinley, Procurement Assistant
Chris Walker, Senior Legal Assistant
Sarah Bird, Democratic Services Officer

1. Appointment of Vice Chair

Councillor Lilian Sutheran was appointed as Vice Chair of this Committee.

2. Apologies for Absence

Apologies were received from Councillor S Cook

3. Declarations of Interest

Councillor S Allison declared an interest in item 5.1 saying he had clients who had submitted tenders.

4. Minutes

The Minutes of the meeting held on 17 November 2008 were accepted as an accurate account.

Councillor Allison left the meeting and returned after item 5 had been dealt with.

5. Planing and Resurfacing Term Contract *(Head of Procurement, Property and Public Protection)*

The Head of Procurement, Property and Public Protection informed

the meeting that tender submission had been received from five contractors and that an assessment had been carried out on a 60:40 price:quality basis. Tenderer E, Tarmac Ltd from Birtley had been awarded the contract.

Decision

The panel noted the awarding of the contract.

6. Procurement Update (*Head of Procurement, Property and Public Protection*)

The Head of Procurement, Property and Public Protection updated the Committee on the following items:-

Tall Ships 2010

Preparations had commenced for the Tall Ships 2010 and the Dockfest 09 event. Over the course of the next 2 years the Tall Ships Project Team would need to purchase a wide range of goods and services and a procurement representative had already provided a training session to the Project Team. A workshop attended by almost 80 people had also been provided to explain to local businesses how the Council procures and the types of goods and services which would be required and a further workshop was planned. The estimated gross costs of the project were expected to be in excess of £3m. An external consultant had been contracted to develop the sponsorship strategy

Agency Contract

Agency working had recently been examined by the Scrutiny Co-ordinating Committee and its final report would be submitted to Cabinet. The North Eastern Purchasing Organisation (NEPO) were shortly to renew the arrangement with a 'vendor neutral' contract although it was felt that this may not give Hartlepool best value. Another option being explored was a Tees Valley collaboration.

Postal Services

A corporate efficiency project entailed the review of postal services and this had also been examined by the Scrutiny Co-ordinating Committee. The Council were currently undertaking a 6 month trial with TNT in the hope of saving approximately 12% on all postal budgets. Thus far it appeared that savings had been made.

Members queried why the Council had decided on TNT and were informed that this company was on a National Office of Government Commence list of tenderers and a short trial was being undertaken in order to see if efficiency savings could be made. A Member suggested that staff were unhappy with the current standardisation of post and was informed that it would be assessed at the end of the trial amongst

other considerations including whether too much staff time was being utilised in preparing the post to the requirements of TNT.

Managed Print Services

Stage 1 of this had been implemented earlier this year and Phase 2 was due to commence along with a review of the Internal Print Unit and work done on the external printing work.

A Member stated that if external firms submitted tenders for printing work, that note should be taken of quality as well as costings for the work. The Head of Procurement, Property and Public Protection stated that these comments would be taken on board. Another Member asked whether the Council's print unit suffered because of antiquated equipment and whether it might be prudent to make some investment there as there were highly trained personnel working there. The Head of Procurement, Property and Public Protection stated that the Central Services Manager was currently undertaking a review of printing services and this would be considered.

Electronic Procurement

Progress was being made towards the implementation of this but no trial had yet been undertaken.

Regional Procurement

Current arrangements were in the process of changing with the formation of the North East Improvement and Efficiency Partnership (NEIEP) and a review of NEPO. It was pointed out that limitations to NEPO were that it focussed only on commodities and it appeared to be Newcastle/Gateshead based. A Tees Valley collaboration approach would also be considered to promote local sustainability and employment.

The Chair stated that she and another Member had attended NEPO meetings and was interested in whether Hartlepool businesses had benefited. She stated that Hartlepool did not use NEPO services as much as other Local Authorities. The Head of Procurement, Property and Public Protection stated that there were some benefits to using NEPO for larger contracts e.g. energy, but for small contracts a sub-regional approach proved more viable. A Member stated that Hartlepool firms should not be used just for their local connection but they should provide value for money too.

Business Transformation

The review had highlighted that the Council had some good procurement/commissioning practice in place but there was room for further development in areas such as during and monitoring contract compliance and maintaining a central contracts register.

The Head of Procurement, Property and Public Protection answered a Member's question stating that his department were attempting to bring procurement services together to ensure Best Practice with more consistency in departments. He stated that the outcome of the Business Transformation Business case would be reported back to Members.

A Member asked what procedures were in place to protect Executive Members with regard to contracts which were exempted and went through Cabinet or the Finance and Efficiency Portfolio. The Head of Procurement, Property and Public Protection stated that this was an example of inconsistencies which needed to be resolved.

Schools Transformation

ICT procurement for the Building Schools for the Future (BSF) project was likely to be advertised in February/March 2009 coming into operation in September/October 2009. An open day for interested parties had been arranged.

Design and Building documentation was also being developed and the procurement process of engaging with the six named framework contracts would commence in Spring/Summer 2009.

A Member asked when the Jesmond Road build would be due to commence and was informed that it was envisaged that procurement was likely to take place in April 2009 and it was hoped to have the contractor in place in September/October 2009 with building work taking approximately 12 months. It was clarified that options for the old building could be utilisation by one of the Council departments or sold on to supplement the BSF funding. A Member stated that it was an historic building and should be preserved if at all possible.

Role of Contract Scrutiny Committee

Members agreed that the remit of the Committee i.e. monitoring of contracts was beneficial as the letting of contracts was the 2nd largest expenditure in the Local Authority.

Decision

The Committee noted the contents of the report

7. Local Government Access to Information

Under Section 100 (A)(4) of the Local Government Act 1972, the press and public were excluded from the meeting for the following item of business on the grounds that it involved the likely disclosure of exempt information as defined in paragraph 3 of Part 1 of the Schedule 12A of the Local Government Act 1972 as amended by the Local Government

(Access to Information)(Variation) order 2006.

Minute 8– Precinct Sweepers (Contract Reference Number 141) (para 3 information relating to the financial or business affairs of any particular person (including the Authority holding that information)

Minute 9 – Integrated HR/Payroll System and Support Service (Ref 48 (para 3 information relating to the financial or business affairs of any particular person (including the Authority holding that information)

8. Precinct Sweepers (*Interim Fleet Manager*)

Five tenders had been received and these were opened in the presence of the Committee.

Decision

The Committee noted the receipt of these tenders.

9. Integrated HR/Payroll System and Support Service (*Support Services Manager*)

Three tenders had been received and were opened in the presence of the Committee

Decision

The Committee noted the receipt of these tenders.

The meeting concluded at 11.10 am

PAULINE LAFFEY

CHAIR

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