

PERFORMANCE PORTFOLIO DECISION RECORD

26 October 2010

The meeting commenced at 3.00 pm in the Civic Centre, Hartlepool

Present:

Councillor Jonathan Brash (Performance Portfolio Holder)

Officers:

Andrew Atkin, Assistant Chief Executive
Joanne Machers, Chief Customer and Workforce Services Officer
Graham Frankland, Assistant Director (Resources)
Joanne Smithson, Head of Performance and Partnerships
Stuart Langston, Health, Safety and Wellbeing Manager
Joan Stevens, Scrutiny Manager
Steven Carter, Workplace Health Improvement Specialist
Lisa Anderson, Research Officer
Jo Wilson, Democratic Services Officer

Also present: Councillor Marjorie James

15. Call-in of decision – Counselling Services – Scrutiny Co-ordinating Committee

Type of Decision

Non key.

Purpose of Report

- I. To report the outcome of the Scrutiny Co-ordinating Committee meeting on 24th September 2010 (adjourned and reconvened on 6th October 2010) at which consideration was given to the Call-In of the following decision taken by Performance Portfolio Holder on 13th August 2010: - Minute No 6 – Counselling Services – “The Portfolio Holder noted the content of the report and approved the procurement exercise on the basis of 60% and 40% price”
- II. To refer the decision taken in minute 6 of Performance Portfolio on 13th August 2010 back to the Portfolio Holder for further consideration.

Issues for Consideration

The Chair of Scrutiny Co-ordinating Committee outlined the key concerns of the Committee in relation to the ‘call-in’ of the decisions taken by the

Performance Portfolio Holder on 13th August 2010 in relation to the intention to procure a provider of counselling services, namely the appropriateness of going out to tender at this time and the information and evidence utilised in making the decision.

The appropriateness of going out to tender at this time

Contract Procedure Rules – members highlighted that proposed changes to contract procedure rules meant that the ‘trigger’ figure for the initiation of the formal tender process was expected to rise to £50,000 meaning there would not be a need to go to formal tender in this case. They also suggested that an approach be made to the current provider regards provision at a fixed price or lower rate to keep the contract figure under £25,000, thereby allowing the informal arrangement to continue

The impact of external factors – members expressed concern that should GP Commissioning be activated and a 3/5 year contract had previously been put in place the Council might have to continue with the contract resulting in a budgetary loss. A notice period could be included in the contract but this would be unfair to the provider who might have made staffing adjustments to accommodate the anticipated workload. In response to this members were advised that the current arrangement was provided on a ‘call-off’ contract basis which either party could stop at any time. Emphasis was placed upon the benefits of a long term formal contract which would demonstrate a commitment from both sides and ensure the provision of an effective long term service. There had also been increased usage of the service between 2008/9 and 2009/10.

The information/evidence utilised in making the decision

Members sought clarification on the number of providers used, noting the usage of an additional provider for those employees who were unable to use MIND for personal reasons.

Usage and future need – members were advised that evaluation of future usage was difficult given seasonal variations and the potential challenges facing the authority. It was also noted that the £20,000 budget was often overspent and the shortfall financed through savings elsewhere, something which concerned the committee. Work to identify ways of minimising future shortfalls was being carried out however this could be a difficult balancing act given potential increased usage

Effectiveness, quality and value – members highlighted the importance of the service in getting people back to work and the positive benefits of this. They acknowledged the effectiveness of the service in providing fast access to counselling services and noted that it was difficult to evaluate the service being provided. However they felt that a more formal and detailed evaluation process was needed than the current anecdotal evaluation by staff and providers. Members also drew attention to the 60:40 quality:costs tender approach, indicating strongly that quality must be the prime criteria.

The following proposals for consideration were duly submitted to the Portfolio Holder:

- I. That current arrangements for the provision of counselling services should continue in the short term to allow time for an 'informal' quotations procedure to be undertaken
- II. That as part of the 'informal' procedure, 3 quotations be sought from local companies to facilitate the award of a 12 month contract for the provision of counselling services on a 60:40 (quality:price) basis
- III. That during the 12 month duration of the contract a full evaluation of the counselling service provided be undertaken including consideration of demand, effectiveness, quality and the impact of external factors (ie GP Commissioning)
- IV. That at end of the 12 month contract the results of the evaluation are used to inform a decision as to whether a 'formal' quotations procedure should be undertaken to award a full longer term contract

The Portfolio Holder raised the following queries with the Chair of Scrutiny Co-ordinating Committee:

What did the Committee envisage would be the difference between an informal quote and a formal tender? – An informal quote would be similar but not a formal arrangement. It was believed that it would also be a way to guarantee the inclusion of local companies

A 12 month contract might be less appealing to a company than a 3/5 year contract? – Protection of the Council's decision-making process should override that. The Chair of Scrutiny Co-ordinating Committee felt that the future implementation of GP commissioning might disadvantage the Council by locking them into a long-term arrangement which they were unable to disentangle themselves from

In terms of GP Commissioning how did the Committee feel this would affect providers or performance given they would be acting as the PCT do now and would continue to do until their abolition in 2013? – The Chair of Scrutiny Co-ordinating Committee felt that the Council would still be left unable to extricate themselves from a long term contract. There were a small number of GPs within Hartlepool who were interested in this and the hope was to build local momentum for any future contract particularly given that the majority of council staff live in Hartlepool and use a GP practice in the town.

A 12 month contract would create uncertainty about the provision of a service to employees at a particularly difficult time. An informal process would still necessitate reference checks and interviews with providers but this would need to be done yearly – After the first 12 months and subject to evaluation a long term contract could be considered

What did the Committee envisage the evaluation process doing? – There would be expected to be input from users and a catchment of evidence. At the moment there were too many unknown quantities. The Health, Safety and Wellbeing Manager indicated that MIND currently provide general referral details although these were obviously anonymous and could not be detailed.

In terms of the provision of a second provider should employees be unable to use MIND what was the mechanism – The Health, Safety and Wellbeing Manager indicated that the right to use an alternative provider could be specified in any future contract. The Chair of the Scrutiny Co-ordinating Committee highlighted concerns that while there appeared to be minimal use of the second provider there was no record of exact usage and they were not evaluated in the same way as the primary provider. The Portfolio Holder queried how usage of the second provider could be monitored to ensure they were not being over-used. The Health, Safety and Wellbeing Manager advised that there would be expected to be minimal usage of the second provider as failure to use the primary provider could be a contract management issue. However there would still be that flexibility.

The Portfolio Holder thanked Scrutiny for their involvement in looking into counselling services within the authority. He was pleased to note that the Scrutiny Co-ordinating Committee confirmed that the service was beneficial and that there were challenges in providing this service within existing budgets.

However, the portfolio holder did not agree with the recommendations put forward by scrutiny for the following reasons:

1. The recommendations did not take into account that the suggested process of comparing “informal” quotations required a system of assessing quotation responses. Such an assessment was necessary to allow realistic comparison between each quotation as to what service would be provided. Whilst not as formal as a tendering exercise the assessment involves a lot of elements which would have been undertaken as part of a tender evaluation e.g. recorded analysis of quotations, assessment of service standards, reference checking, interviewing the providers, etc. There were therefore limited savings in officer time. There was also potentially a perceived lack of transparency and fairness.
2. By letting the contract for 12 months as suggested by scrutiny the assessment procedure would need to be repeated in a relatively short time frame. Contracting out in such narrow timescales was an inefficient use of officer time as it would replicate work on a frequent basis.
3. The letting of a 12 month contract would also have the effect of making the contract less attractive. Potential suppliers would repeat work on the same narrow timescale in order to respond to quotation requests and there would be less incentive for any supplier to

significantly reduce their pricing structure in order to secure continuity of work that longer contracts bring.

4. Middlesbrough Borough Council has indicated that they preferred the original proposal and as such the Council would no longer be able to share the costs of any procurement activity.
5. Scrutiny proposed additional evaluation but there was no clarity as to what the purpose of any evaluation would be. The Council already monitored individual usage, e.g. which individuals are referred, how many sessions they attend and how effective the service to the individual had been.

Independent studies into the causes of stress management had also given very positive feedback regarding the counselling services provision and in addition Council has continually improved its sickness absence performance. High level information was therefore already available to support the Council's ongoing approach. General contract performance and compliance was also monitored.

6. The recommendations make repeated reference to the proposed future commissioning within the NHS as outlined in the Coalition Government's health white paper, the suggestion being that this could significantly improve counselling services within Hartlepool once commissioning responsibilities had been transferred from the PCT to the GP's consortium therefore rendering the Council's contracted counselling services defunct. Moreover it was implied that this would happen in a relatively short timescale.

The portfolio holder did not believe that these were realistic assumptions and felt that there would be little improvement to commissioned services and little change to providers as a result of the Coalition's health reforms during the life of any contract. In any event he felt that the degree of uncertainty that surrounded the health white paper's proposals meant that they should not be factored into the decisions about the health and welfare of council staff.

In conclusion the portfolio holder believed that the recommendations of scrutiny would create more work for all parties, be inefficient in terms of process, create greater costs to the authority, lack openness and transparency and would fail to achieve the best, most cost-effective service for council employees.

He reaffirmed his original decision which he requested be actioned quickly.

Decision

That the decision previously made by the Portfolio Holder on 13th August 2010 (Minute 6 – Counselling Services) be confirmed namely:

'The Portfolio Holder noted the content of the report and approved the procurement exercise on the basis of 60% quality and 40% price'

16. Single Status Agreement Review – Chief Customer and Workforce Services Officer

Type of Decision

Non key

Purpose of Report

To provide the Portfolio Holder with a report which reviews the learning from undertaking and implementing the Single Status Agreement in Hartlepool.

Issues for Consideration

The Chief Customer and Workforce Services Officer highlighted the key points which had been learned from implementation of the Single Status Agreement including future working with schools, data protection and pragmatism about timetables. The Portfolio Holder acknowledged the inordinate amount of time which had been spent liaising with schools on this issue and asked if something could be done now to prevent this occurring again in the future. As schools became ever more independent he would expect the amount of time and money being expended by the Council to reduce. The Chief Customer and Workforce Services Officer commented that the problem had been lots of individual schools and governing bodies with their own position on matters. The Portfolio Holder suggested a more streamlined approach in future. The Chief Customer and Workforce Services Officer advised that this learning had been applied to Building Schools for the Future and would be improved upon if something of a similar nature was planned for the future. The Portfolio Holder felt the onus should be on schools to come up with clear governance arrangements for partnership working

The Chair of Scrutiny Co-ordinating Committee referred to information within the report on leave entitlement of 26 days saying that the statutory entitlement was 28 days. The Chief Customer and Workforce Services Officer advised that the statutory entitlement include bank holidays whereas the Council entitlement did not. The Portfolio Holder asked that this be made clear in any future documentation. The Chair of Scrutiny Co-ordinating Committee also queried why bands 13-15 received additional leave as compensation. The Chief Customer and Workforce Services Officer indicated that at the higher levels employees could not claim overtime until they worked over 42 hours. There were other expectations placed upon them hence the additional leave. This was felt to be a justifiable compromise and a way to compensate staff. The Chair of Scrutiny Co-ordinating Committee was concerned that this was treating staff differently and could have consequences in the future.

Decision

That the report be noted.

17. **Single Status Agreement Appeals** – *Chief Customer and Workforce Services Officer*

Type of Decision

Non key.

Purpose of Report

To provide an update on progress on appeals received and obtain ratification of Appeals Panel outcomes in respect of High Priority Appeals.

Issues for Consideration

The report provided a background to the Appeals Procedure together with an update on the progress of appeals received and requested ratification of Appeals Panel outcomes in respect of High Priority Appeals.

Further details of the outcomes of individual appeals was included in a confident appendix to the report.

This item contains exempt information under Schedule 12A of the Local Government Act 1972, (as amended by the Local Government (Access to Information)(Variation) Order 2006) namely information relating to an individual (Para 1)

The Portfolio Holder queried the length of time the appeals process was taking to resolve and questioned how it could be sped up. The Chief Customer and Workforce Services Officer indicated that the process had been agreed with the Trade Unions at the outset whereby a Trade Union mentor could support staff in the preparation of their appeal, something which took time. The appeals paperwork also had to be reviewed by a job analyst, then referred to individual departments before final consideration by the Appeals Panel. There were 7 people on the panel, all of whom needed to be available at the same time. There also needed to be adequate time for the Panel to ask questions, some of which may need to be referred back to the department or the appellant for further information. All of this took a significant amount of time and ways to speed up the process were being considered including the possibility of the appellant and manager being present at the Appeals Panel in order that any questions could be answered straightaway. However this could lead to delays in the constitution of the Panel. The Portfolio Holder acknowledged this but commented that apart from the independent chair he would expect all other participants in the Appeals Panel process to make themselves available at any time. There was enough uncertainty within the authority without this hanging

over people's heads for 2 years. The Chief Customer and Workforce Services Officer advised that she did not anticipate the process would be concluded before the end of 2011. The Trade Union had limited capacity and were unable to reallocate to other staff. The Portfolio Holder requested that further consideration be given to methods of speeding up the process and reported back to him urgently.

Decision

That the progress on appeals received be noted and the Appeals Panel outcomes in respect of High Priority Appeals ratified.

18. Viewpoint – Citizen's Panel Results – Head of Performance and Partnerships

Type of Decision

Non key.

Purpose of Report

To inform the Portfolio Holder of the results 32nd phase of Viewpoint, Hartlepool Borough Council's citizen's panel, that was distributed in March 2010.

Issues for Consideration

The report presented the results from the 32nd Viewpoint Questionnaire which included perceptions of crime, awareness of benefits, help yourself to Council services, the internet and you, free swimming initiative and Viewpoint design.

Key findings were:-

- Viewpoint members were relatively positive about their local area, largely saying they feel safe when walking around alone after dark, that anti-social behaviour is not a problem, that it is a place where people from different backgrounds get on well together, and that they satisfied with it as a place to live.
- Viewpoint members said they would either visit the Civic Centre or phone the council for advice and information about benefits; and would like to see information about benefits in local newspapers and council magazines or through leaflets delivered to their home.
- Members were more receptive to online forms or an automated telephone service as self serve methods to contact the council.
- Over a quarter of Viewpoint members have seen Hartlepool Borough Council's new website. Out of these, three out of five users found the site easy or very easy to use.

- Half of members had heard about the Free Swims schemes.
- Viewpoint members were supportive of nearly all suggested changes to the Viewpoint survey to make it more cost efficient.

The Portfolio Holder queried whether the findings in relation to the police were shared with them. The Head of Performance and Partnerships confirmed this saying the questionnaire had been jointly commissioned by the Council and police. The Portfolio Holder noted the high number of Viewpoint members with personal internet access when compared to Hartlepool residents as a whole, questioning whether the findings were a true reflection of the opinions of residents. The Head of Performance and Partnerships advised that the Viewpoint membership was reviewed every year, when a third of the panel was refreshed and demographics were taken into consideration, with the data being weighted by age, gender and geographical location. Similarities had also been seen between the Viewpoint surveys and more general surveys suggesting like thinking.

Decision

That the results of the survey be noted.

19. Corporate Complaints – July to September 2010 – Head of Performance and Partnerships

Type of Decision

Non key

Purpose of Report

To report to the Portfolio Holder on corporate complaints performance for the second quarter of 2010/11.

Issues for Consideration

The report covered performance information on numbers of complaints, timescales for investigation and outcomes of investigations for formal complaints dealt with in the second quarter of 2010/11. A total of 20 formal complaints was received in the quarter. 16 of these were responded to within Authority deadlines. 14 out of 20 complaints were upheld in part or full. The Head of Performance and Partnerships advised that there had been a significantly higher number of complaints upheld in this quarter which would need to be investigated.

Decision

That the report be noted.

20. Local Government (Access to Information (Variation) Order 2006

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 below of Part 1 of Schedule 12A of the Local Government Act 1972 as amended by the Local Government (Access to Information) (Variation) Order

Minute 21 – Approval for Compulsory Redundancy. This item contains exempt information under Schedule 12A Local Government Act 1972 (as amended by the Local Government (Access to Information) (Variation) Order 2006) namely (para 4) information relating to any consultations or negotiations in connection with any labour relations arising between the authority or a Minister of the Crown and employees of, or office holders under, the authority

Minute 22 – Northgate Contract Renegotiations. This item contains exempt information under Schedule 12A Local Government Act 1972 (as amended by the Local Government (Access to Information) (Variation) Order 2006) namely (para 3) information relating to the financial or business affairs of any particular person (including the authority holding that information)

21. Approval for Compulsory Redundancy – Chief Customer and Workforce Services Officer

Type of Decision

Non key.

Purpose of Report

To seek a decision regarding the future employment of various employees who are affected by restructuring within services linked to approved service delivery option reviews.

Issues for Consideration.

Outlined in the exempt section of the minutes.

Decision

Outlined in the exempt section of the minutes.

22. Northgate Contract Renegotiations – Assistant Director (Resources)

Type of Decision

Non key.

Purpose of Report

To inform the Portfolio Holder of the successful conclusion of negotiations with Northgate Information Solutions.

Issues for consideration

Outlined in the exempt section of the minutes.

Decision

That the report be noted

The meeting concluded at 4.00 pm

P J DEVLIN

CHIEF SOLICITOR

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