

FINANCE AND POLICY COMMITTEE

MINUTES AND DECISION RECORD

12 JULY 2021

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

Present:

Councillor Shane Moore (In the Chair)

Councillors: Jonathan Brash, Paddy Brown, Brenda Harrison, Jim Lindridge, Sue Little, David Nicholson, Amy Prince, Cameron Stokell and Mike Young.

Officers: Denise McGuckin, Managing Director
Neil Wilson, Assistant Chief Solicitor
James Magog, Assistant Director, Finance
Claire McLaren, Assistant Director, Corporate Services
Sally Robinson, Director of Children's and Joint Commissioning Services
Craig Blundred, Director of Public Health
Tony Hanson, Director of Neighbourhoods and Regulatory Services
David Cosgrove, Democratic Services Team

14. Apologies for Absence

Councillor Tim Fleming.

15. Declarations of Interest

None.

16. Proposed Route to Award ICT Contract from 2023 *(Director of Resources and Development)*

Type of decision

Non Key Decision.

Purpose of report

The purpose of the report was to request Finance and Policy Committee consider and approve the proposed procurement route for the Council's ICT contract 2023-2028.

Issue(s) for consideration

The Assistant Director, Corporate Services reported that the Council's current ICT contract with Northgate will terminate in October 2023 and a new contract needed to be in place by that date to meet the Council's ICT needs.

The Assistant Director highlighted that the new contract would need to be responsive to the new ways of working that were now more common place across the authority following the Covid-19 pandemic. The report also highlighted the economic and technological benefits have been realised in the Borough by working in partnership with Northgate since the start of the ICT contract in 2013.

As the cost of a traditional procurement exercise or a competitive dialogue process (adopted for the current contract) were significant for both the Council and potential providers it was proposed that the Council follow a Direct Award process using the Crown Commercial Service (CCS) procurement framework for Technology Services. The process will match the Council's contract specification with a range of providers on the framework that are able meet our specification. This will be a transparent process and evaluated using a set criteria. The managed service provider who fits the specification (including cost of service) most closely will be awarded the contract under a Direct Award. The Council's criteria will be drawn up after consultation with all appropriate parties but will include the requirement to deliver against the Council's ICT requirements as well as continued economic investment in Hartlepool as key components.

It was also proposed that an independent assessment of the current Northgate/HBC contract is undertaken by the Society of Innovation, Technology and Modernisation (SOCITM) to ensure that HBC are achieving value for money from the existing contract. This review, coupled with the recommended procurement process, will ensure the Council achieves continuing value for money from the new contract.

A proposed timetable for undertaking the lengthy process leading towards the awarding and commencement of the new contract were outlined in the report.

Members supported the proposal and the Vice-Chair commented that the ability to live stream future Council meetings should be part of the specification. Members acknowledged the social benefit that the Northgate contract had brought to the town with the creation of new jobs and wished to see a significant similar social benefit within the specifications of the new contract. It was suggested that the potential of involving local businesses in parts of the contract through direct letting or sub-contracting should be considered.

Members also wished to see some greater future proofing of the systems utilised as the pandemic and working from home directive had highlighted some clear shortcomings in the current arrangements. Members also

expressed concern at the current telephony system and wished to see this significantly improved.

There was no dissent to the following decisions.

Decision

1. That the proposed procurement route to award the ICT contract for the period 2023-2028 as reported, be approved, through a Direct Award process using the Crown Commercial Services Framework for Technology Services.
2. That approval be given to a Value for Money review being undertaken by the Society of Innovation, Technology and Modernisation.

17. Corporate Procurement Quarterly Report on Contracts *(Chief Solicitor)*

Type of decision

For information only.

Purpose of report

To satisfy the requirements of the Council's Contract Procedure Rules with regard to the Finance and Policy Committee receiving and examining quarterly reports on the outcome of contract letting procedures including those where the lowest/highest price is not payable/receivable and receiving and examining reports on any exemptions granted in respect of the Council's Contract Procedure Rules.

Issue(s) for consideration

The Assistant Chief Solicitor reported on the Contracts awarded by the Council in accordance with Contract Procedure Rules for the period March to April 2021.

Members discussed and questioned several of the contracts listed in the report which were responded to, where possible, by officers. It was noted by Members that many of the contracts listed had been awarded to companies/businesses outside Hartlepool and commented that more should be done to do encourage and assist local companies in tendering for council business wherever possible. It was suggested that contract procedure rules should be reviewed to make the process easier for local businesses to bid for contracts. It was highlighted that Manchester had put greater focus on the benefits of social value and procuring local businesses and were piloting a 30% social value target.

The Chair supported the comments but did highlight the significant difference in scale between Hartlepool and Manchester though considered

that more business should be kept within the Tees Valley and this was reflected in the report with 75% of the value of the contracts reported being awarded to businesses within the Tees Valley. The Managing Director also stated that while some contracts appeared to have been awarded to companies outside the North East, they were delivered in Hartlepool.

The Managing Director stated that the Council had undertaken workshops with local businesses in the past and would look to holding such events again once the Covid restrictions permitted. The Managing Director also undertook to look at ways the information in future reports could be presented to reflect where contracts were being delivered locally or involved local sub-contractors.

Decision

That the report be noted.

18. Any Other Items which the Chairman Considers are Urgent

None.

The Chair highlighted that, as Members had been informed prior to the meeting, the listed confidential report “Approval for Compulsory Redundancy” had been formally withdrawn from the agenda.

The meeting concluded at 10.30 am.

H MARTIN

CHIEF SOLICITOR

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