

# CONTRACT SCRUTINY PANEL AGENDA



**Monday 29<sup>th</sup> January, 2007**

**at 10.00 a.m .**

**in Committee Room 'B'**

MEMBERS: CONTRACT SCRUTINY PANEL:

Councillor Barker, Clouth, S Cook, Cranney and Lilley.

**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 15<sup>th</sup> January 2007 (*attached*).

**4. ITEMS FOR INFORMATION**

- 4.1 Review of Remit of the Panel – *Chief Solicitor*
- 4.2 Appointment of Contractor: Conversion of Historic Paper Based Records into an Electronic Format – *Director of Regeneration and Planning Services and Chief Solicitor*
- 4.3 Performance Management and Tracking Software – *Assistant Director (Planning and Economic Development)*

**5. ANY OTHER ITEMS WHICH THE CHAIRMAN CONSIDERS ARE URGENT**

**6. LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985**

**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) Act 1985

**7. OPENING OF TENDERS**

7.1 Tenders to supply 2 Van Mounted Lift Platforms and 2 Pavement Sweepers –  
*Head of Technical Services* (para 3)

**8. ANY OTHER CONFIDENTIAL ITEMS WHICH THE CHAIRMAN CONSIDERS ARE URGENT**

**ITEMS FOR INFORMATION**

i) **Date of Next Meeting Monday 12<sup>th</sup> February 2007 commencing at 10.00am in Committee Room 'C'**

## **CONTRACT SCRUTINY PANEL**

### **MINUTES AND DECISION RECORD**

15<sup>th</sup> January 2007

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

**PRESENT:** Councillor S Cook  
In accordance with para 4.2(ii) of the Council Procedure Rules,  
Councillor Morris was also in attendance as substitute for  
Councillor Lilley

**OFFICERS:** Garry Jones, Neighbourhood Services Officer  
Pauline Newton, Principal Legal Executive  
Jo Wilson, Democratic Services Officer

#### **75. APPOINTMENT OF CHAIR**

In the absence of Councillor Lilley, Councillor Shaun Cook was appointed chair for this meeting only.

#### **76. APOLOGIES FOR ABSENCE**

Apologies were received from Councillor Geoff Lilley

#### **77. DECLARATIONS OF INTEREST**

None

#### **78. CONFIRMATION OF MINUTES OF THE MEETING HELD ON 2<sup>nd</sup> January 2007**

Confirmed

#### **79. 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 items of business on the grounds that it involves the likely disclosure of exempt information as defined in paragraphs 3 of Part 1 of Schedule 12A of the Local Government Act 1972 as amended by the Local Government (Access to Information) (Variation) Order 2006.

Minute 80 – Tenders for the supply of Traffic and other Road Signs –  
*Director of Neighbourhood Services* (Para 3 - Information relating to the financial or business affairs of any particular person (including the authority holding that information)).

**80. TENDERS FOR THE SUPPLY OF TRAFFIC AND OTHER ROAD SIGNS**

Members were informed that tenders had been invited in respect of the above project.

SHAUN COOK

CHAIRMAN

## CONTRACT SCRUTINY PANEL

29<sup>th</sup> JANUARY 2007



**Report of:** Chief Solicitor

**Subject:** REVIEW OF REMIT OF THE PANEL

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### 1. PURPOSE OF REPORT

To acquaint the Panel of the proposal of the Constitution Working Group to review the remit of the Contract Scrutiny Panel and to invite the Panel to express their views in that respect

### 2. BACKGROUND

In the context of review of the Contract Procedure Rules, the Constitution Working Group expressed the view that the role and remit and other features of the operation of the Contract Scrutiny Panel should be reviewed. At their meeting on 9<sup>th</sup> March 2006, the working group decided -

*Contract Scrutiny Panel – The Working Group discussed the role of the Contract Scrutiny Panel. The use of the term ‘scrutiny’ within the title of the Panel was considered to be misleading. Views were also expressed that instead of the members of the Panel being selected from a rota, the Panel should be appointed at the Annual Council meeting. It was further considered that Officers should ensure that all appropriate information be presented to the Panel.*

At the meeting of the working group meetings on 28<sup>th</sup> September 2006 the group received a report (**Appendix 1** to this report) following consideration of which it was decided –

*That the role of the Contracts Scrutiny panel be reviewed in detail by the Working Group and that the Chairman of the Panel be invited to meeting(s) when the review was being undertaken.*

### **3. PROPOSALS**

Members are invited to express their views on the review of –

- the remit of the Panel, and on their suggestions as to changes (if any) that they would recommend. Members may care to refer to the matters referred to in the report (Appendix 1) as to areas that might be appropriate for consideration; and
- the manner of appointment of members of the Panel.

Members views will be incorporated in a briefing paper to be submitted to a future meeting of the Constitution Working Group, at which the Panel's Chairman will be invited to attend to participate in the discussion.

### **4. CONTACT OFFICER**

Tony Brown Chief Solicitor

## CONSTITUTION WORKING GROUP

28<sup>th</sup> September 2006



**Report of:** Chief Solicitor

**Subject:** BRIEFING PAPER

#### 4. Contract Scrutiny Panel - Remit

At their meeting on the 9<sup>th</sup> March 2006 the Working Group discussed the role of the Contract Scrutiny Panel. The use of the term 'scrutiny' within the title of the Panel was considered to be misleading. Views were also expressed that instead of the members of the Panel being selected from a rota, the Panel should be appointed at the Annual Council meeting. It was further considered that Officers should ensure that all appropriate information be presented to the Panel. It was resolved that the role and remit of the Contracts Scrutiny Panel should be examined.

Appendix 4 is an extract from the Constitution setting out the current remit of the Panel.

The Contract Procedure Rules contains the following entry regarding the function of the Contract Scrutiny Panel –

*"In order to ensure probity and transparency in the award of contracts, the Contracts Scrutiny Panel will participate in the letting of contracts by monitoring their compliance with the Contract Procedure Rules at a number of stages, both during and after the completion of the contract procedure. In respect of any contract the Panel will have the responsibility:*

- *To receive and examine tenderers lists*
- *To open tenders*
- *To receive and examine reports on the outcome of price/performance and partnering contracts letting procedures"*

The point made by members on 9<sup>th</sup> March 2006 was that whilst the Panel had a role during the contract letting process – and members were of the view that that role itself was unclear – its activities did not amount to a 'monitoring' role. Members commented that no information was presented to the Panel as to the course of the contract, following the letting process. The Panel were therefore unable to examine compliance, and financial issues arising during the life of a contract. Although it was explained to the group that the relevant portfolio holder would receive information on a regular basis which would reveal on-going problems with a particular contract, members felt that examination

## **APPENDIX 1**

of such issues by the Contract Scrutiny Panel would be a valuable role in assisting the Council to manage its contracts portfolio.

Topics that could be submitted to the Contracts Scrutiny Panel on a periodic basis could include –

- Waiver of Contract Procedure Rules
- Over- and under-spends on major contracts
- Liquidation of contractors during contracts
- Extensions of time for contractor

Members will no doubt be able to suggest other issues that could usefully be considered by the Panel. They might also wish to consult the Contract Scrutiny Panel.



## APPENDIX 1

Appendix 4

<b>Contract Scrutiny Panel</b>	
<b>Membership:</b>	<b>5</b> <b>Chair: Councillor Lilley</b> <b>The remaining four members will be selected from a rota maintained by the Proper Officer.</b>
<b>Quorum :</b>	<b>3</b>
<b>FUNCTION</b>	<b>DELEGATION</b>
1. To receive and examine tender lists	
2. To open tenders	
3. To receive and examine reports on the outcome of price/performance and partnering contracts' letting procedures.	

## CONTRACT SCRUTINY PANEL

29 January 2007



**Report of:** Director of Regeneration and Planning Services and  
Chief Solicitor

**Subject:** APPOINTMENT OF CONTRACTOR: CONVERSION OF  
HISTORIC PAPER BASED RECORDS INTO AN  
ELECTRONIC FORMAT

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### 1. PURPOSE OF REPORT

- 1.1 To advise members of the panel on the outcome of the evaluation process to select a contractor to provide a service to convert historic paper based records into electronic images.

### 2. BACKGROUND

- 2.1 Members may recall from the Contract Scrutiny Panel report on 13 November 2006 that an appropriate contractor was being sought to convert approximately 18,750 files of mainly legal and planning related historical paper records into electronic images. These images will be viewable by officers through their existing desktop computers and allow for a much faster and easier means of retrieving information than is currently possible. In addition to efficiencies the project will generate, the new electronic data storage method will virtually eliminate the risk of these essential records ever being lost or damaged.
- 2.2 The Regeneration Liveability and Housing Portfolio Holder approved the project at his meeting of 30 August 2006 and agreed that tenders would be evaluated on an 80:20 price/quality basis.

### 3. TENDER EVALUATION

- 3.1 A total of 15 tenders were opened by the panel on 2 January 2007. In view of the high weighting towards price and in accordance with information previously given to all prospective contractors, the detailed evaluation

exercise was limited to an assessment of the four best priced tenders, all of which fell within the budget available for the project.

- 3.2 The standard practice of using a scoring matrix to allocate points for the price and quality of each of the four tender submissions was followed. In assessing quality, points were awarded for the contractor's proposals for project management, quality control measures, security and confidentiality and the arrangements set out to ensure safe transit and storage. Appropriate weightings were assigned to reflect the relative importance of each factor.
- 3.3 Details of the scoring summary are set out in **Appendix 1**. From the table it can be seen that Contractor B achieved the best score overall. Whilst this tender was slightly more expensive than the cheapest priced submission, the proposal was very strong in each of the quality aspects making it the clear winner of the evaluation exercise.
- 3.4 Four references were also sought from current and recent clients of the contractors being evaluated. In the case of Contractor B, three references were received by the deadline date and all were highly complimentary of the company's performance on similar contracts.

#### **4. RECOMMENDATION**

- 4.1 That members of the panel note the outcome of the evaluation process and the award of this contract to Contractor B.

#### **5. CONTACT OFFICER**

Jeff Mason  
Head of Support Services  
Regeneration and Planning Services  
Hartlepool Borough Council  
01429 523502  
jeff.mason@hartlepool.gov.uk

## CONTRACT SCRUTINY PANEL

29 January 2007



**Report of:** Assistant Director (Planning and Economic Development)

**Subject:** Performance Management and Tracking software

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### 1. PURPOSE OF REPORT

- 1.1 To inform the panel of the purchase of an electronic web based performance management and tracking system.

### 2. BACKGROUND

- 2.1 The Economic Development division carries out a broad range of services to inward investment, existing and start up businesses and local residents.
- 2.2 The Division reports on up to 44 performance indicators and 55 key actions responding to LAA, Corporate, Departmental, Divisional and partner recipients.
- 2.3 The service also undertakes over 1,000 interactions with business and over 1,000 interactions with residents. In addition the service utilises a significant amount of external resources from up to 9 different sources.
- 2.4 At the current time the performance management and tracking is recorded on a combination of paper and outdated electronic systems and requires a significant amount of input from up to 17 staff.
- 2.5 A specialist system, Hanlon software was identified to provide a single joined up system which will provide another and more accurate function, that is web based and at the same time reduce the time spent on recording and analysing data. Efficiencies derived are mainly from externally funded staff and staff time savings will be directed at Front line

services. This is particularly important as the client groups receiving services are harder to reach and further away from the jobs marketing and include Incapacity benefit recipients and young people.

- 2.6 The system is extensively used in economic regeneration organisations including most of Tyne/Wear, the Liverpool conurbation, Leicester/Nottingham, Glasgow and other users include SRB's, NDCs and Hanlon previously provided software to Hartlepool City Challenge.
- 2.7 Hanlon has also undertaken work for the Office of the Deputy Prime Minister and more latterly Department for Communities and Local Government. In addition Hanlon provide software to the Neighbourhood Renewal Unit to monitor the impact of all 39 New Deal for the Communities (37NDCs) also use Hanlon Systems.
- 2.8 The proposal for the purchase of the system at an initial cost of £20,675 with an annual licence fee of approximately £3,550 was approved by the Partnership Board on the basis of the specialist nature of the system.
- 2.9 The system is funded by externally generated income within Economic Development.

### **3. RECOMMENDATION**

- 3.1 That the report be noted for information.