

## **CONTRACTS SUB-COMMITTEE**

Minutes of the meeting held at 7.00 pm on 13 June 2017

### **Present:**

Councillor Stephen Wells (Chairman)  
Councillor Neil Reddin FCCA (Vice-Chairman)  
Simon Fawthrop, William Huntington-Thresher, Russell Mellor,  
Keith Onslow and Angela Wilkins

### **Also Present:**

Councillor Ian Dunn

#### **60 APOLOGIES FOR ABSENCE AND NOTIFICATION OF SUBSTITUTE MEMBERS**

Apologies for lateness were received from Councillor Russell Mellor.

#### **61 DECLARATIONS OF INTEREST**

Councillor Simon Fawthrop declared an interest as an employee of BT.

#### **62 QUESTIONS FROM COUNCILLORS AND MEMBERS OF THE PUBLIC ATTENDING THE MEETING**

No questions had been received.

#### **63 MINUTES OF THE MEETING OF CONTRACTS SUB-COMMITTEE HELD ON 11TH APRIL AND MATTERS ARISING**

**RESOLVED** that the minutes of the meeting held on 11<sup>th</sup> April 2017 be confirmed.

#### **64 REVIEW OF WAIVERS AUDIT**

At its meeting on 9<sup>th</sup> February 2017 the Sub-Committee had received an update from the Director of Finance on progress procedures for the use of waivers. Internal Audit had since produced a final report on their Review of Waivers Audit 2016/17, a copy of which had been circulated to the Sub-Committee.

The Director of Commissioning reminded Members that there were legitimate reasons for waivers, and her team had broken down waivers into a number of categories which would be captured on the Contracts Database. This would ensure that the correct processes were followed in each case, according to the set /limits and thresholds. There were now mandatory quarterly meetings with all staff involved in commissioning, and these were used to spread information and best practice on issues such as waivers, along with guidance notes and mandatory in-

house training, which Members welcomed.

A Member queried whether there was a default contract term of three years plus two, and suggested that in some cases longer terms would be beneficial to reduce tendering and administration costs. He also suggested that the views of potential suppliers should be sought on this. Officers confirmed that there was no default term, but the commissioning process aimed to put the right strategy in place for each contract, whether for a longer or shorter term.

Members discussed the evaluation of contractor performance, and learning from each contract. It was suggested that there needed to be a “wash-up” meeting at the end of each contract. Officers confirmed that there were clear guidance notes for staff to follow on how to manage contractors who were not performing well, and “lessons learnt” documents on the Managers Toolkit. Members wanted to ensure that there was a clear division between contract monitoring and contract management, and an understanding of these roles and the different skill-sets they required. Further information was requested on how often benchmarking was used.

The Sub-Committee discussed the need for a clearer understanding of strategic commissioning, and how this approach should be used to work with partners and markets to deliver better services. The Chairman suggested a short item for the next agenda on this issue.

**RESOLVED that Executive and Resources PDS Committee be recommended to support the adoption of a division of contract monitoring and management roles.**

**65            COMMISSIONING AND PROCUREMENT DIVISION - ONE YEAR ON**  
Report CEO 1629

The Commissioning and Procurement Division had been established a year previously to support Member and officers as the Council moved towards becoming a commissioning organisation. The report provided an update on the work undertaken by the Division in the last year to improve the governance arrangements that had been put in place and highlighted the potential risks if officers failed to follow this guidance. A Member commented that the Council was still weak on assessing and dealing with risk.

The new governance approach had resulted in a significant improvement in the consideration of commissioning proposals, leading to improved outcomes. The lack of visibility of contracting information had been addressed by developing the contracts database, which provided a Council wide business system, linked to existing systems, to aid effective management and provide assurance that the necessary actions are being taken. A small Programme and Project management team had been set up to support commissioning activity across the Council, and an extensive training programme had been developed.

Members were pleased with progress so far, but discussed a number of potential improvements to maintain the pressure and obtain the full benefits of a strategic

commissioning approach, such as removing the commissioning role from departments and centralising it and turning the Contracts Sub-Committee into a full PDS Committee so that it could exert more influence on commissioning.

The role of Directors and senior managers was crucial in setting the culture of their departments, and ensuring that compliance was given priority, but this was also backed up with training and extensive practice notes and guidance. Members commented on the need to recruit officers with financial acumen who knew how to operate in this new culture.

**RESOLVED that the report be noted.**

**66 WORK PROGRAMME 2017/18**  
Report CSD17075

The Sub-Committee considered its work programme for 2017/18. The Chairman urged the Sub-Committee to try to focus on strategic commissioning issues - Members suggested the following additions to the programme laid out in the report -

21<sup>st</sup> September 2017

- Demonstration of the Contracts Database;
- Deputy Chief Executive to report on management of contracts in Adults Services;
- Update on the Streetworks Contract.

30<sup>th</sup> November 2017

- Chief Executive to give an overview of commissioning and changing the culture of the organisation;
- Update on the Parks Maintenance Contract

6<sup>th</sup> February 2018

- Update on the Stray Dogs Contract

29<sup>th</sup> March 2018

- Page by page examination of a good contract (In- house fostering?)

**RESOLVED that the work programme be noted and updated with the suggestions made above.**

**67 LOCAL GOVERNMENT ACT 1972 AS AMENDED BY THE LOCAL GOVERNMENT (ACCESS TO INFORMATION) (VARIATION) ORDER 2006 AND THE FREEDOM OF INFORMATION ACT 2000**

**RESOLVED that the Press and public be excluded during consideration of the item of business referred to below as it is likely in view of the nature of the business to be transacted or the nature of the proceedings that if**

**members of the Press and public were present there would be disclosure to them of exempt information.**

**The following summary  
refers to matters  
involving exempt information**

**68 EXEMPT MINUTES OF THE MEETING OF CONTRACTS SUB-COMMITTEE HELD ON 11TH APRIL 2017**

The exempt minutes of the meeting held on 11<sup>th</sup> April 2017 were approved.

**69 ISSUES FROM AUDIT SUB-COMMITTEE**

The Sub-Committee considered issues arising from the Internal Audit reports into Waste services.

The Meeting ended at 10.06 pm

Chairman