

Scrutiny Committee

30 September 2016

Report of the Scrutiny Task and Finish Group on Procurement and Contract Management

Summary

1. On 10 February 2016, the Scrutiny Committee considered an item on procurement and contract management and, as a result of this review, tasked a small group of councillors to investigate a range of specific issues in greater depth. The investigation took place between May and July 2016 and this report sets out the detailed findings and recommendations from this work.

Objective

2. The Scrutiny Committee is invited to receive and comment upon the findings and recommendations of the Scrutiny Task and Finish Group on Procurement and Contract Management.

Scrutiny Focus

3. The terms of reference of the Scrutiny Task and Finish Group were defined by the Scrutiny Committee on 10 February 2016 as follows:-
 - a) to establish in what circumstances alternative methods could be used instead of undertaking a procurement process such as grant funding and service level agreements and if there is merit in adopting this model for some types of activity;
 - b) to establish what reasonable steps might be taken during the procurement process to promote active engagement of local organisations in the Council's supply chain;
 - c) to examine the current arrangements for accountability and transparency of the Council's contracting and procurement activity and how this compares with best practice elsewhere in the public sector;
 - d) to consider whether the current level of councillor involvement in procurement and contracting activity and with the Contract Management Board is appropriate;
 - e) to explore the arrangements for developing and embedding commercial expertise within the Council's contracting staff;
 - f) to report the findings and recommendations of the investigation to Scrutiny Committee and to Cabinet.

How does this relate to County Council priorities?

4. This scrutiny is linked to the County Council's corporate priorities as indicated below. All scrutiny items should consider how well they are delivering against the County Council priorities and Suffolk's Community Strategy.

Suffolk County Council's Corporate Priorities	Link to this Scrutiny
Raise educational attainment and skill levels	✓
Support the Local Enterprise Partnerships (LEPs) to increase economic growth	✓
Maintain roads and developing Suffolk's infrastructure	✓
Support those most vulnerable in our communities	✓
Empower local communities	✓

5. The Committee is invited to:
- a) receive the report of the Task and Finish Group and seek clarification on any of the issues raised in the report from the Chairman and members of the Group as required;
 - b) consider whether the Task and Finish Group has met its Terms of Reference;
 - c) consider the recommendations of the Group to the Scrutiny Committee for further work and agree how this should be taken forward, ie:
 - i) that further work should be undertaken to evaluate the role of the County Council's legal support structure (both in-house and externally procured) in relation to procurement and contracting (Recommendation 7);
 - ii) that the Committee should seek further information to establish the effectiveness of the schools building framework and whether there are opportunities to improve this programme by providing for early/design stage contractor engagement (Recommendation 13);
 - iii) that the Committee should add an item to its Forward Work Programme to consider how the Ipswich Wet Dock and Lowestoft Third Crossing Projects are being progressed (Recommendation 14)
 - d) endorse the report.

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Background

6. Scrutiny Committee has considered the Council's arrangements for procurement and contract management on 23 July 2014, 11 February 2015 and 10 February 2016. Scrutiny Committee and Audit Committee have also looked at the delivery of individual contracts on a number of occasions, including the contracts with Care UK, Suffolk Libraries IPS Ltd, Concertus and Suffolk Highways.

7. On 10 February 2016, the Scrutiny Committee considered a report at Agenda Item 5, providing an opportunity for members to consider the extent to which the County Council has developed a more commercial approach to provision of public services, and what further work was required. The Committee received evidence from County Council officers, the East of England Local Government Association, and representatives from the voluntary sector, who wished to make representations to the Committee about their experience of the Council's approach.
8. As a result of the evidence received, the Committee made a number of recommendations. Further information about the evidence received and recommendations made can be found in the minutes of the meeting, available at:
http://committeeminutes.suffolk.gov.uk/LoadDocument.aspx?rID=0900271181b62509&qry=c_committee%7e%7eScrutiny+Committee
9. In light of the evidence received on 10 February, the Committee agreed to establish a Scrutiny Task and Finish Group to explore a range of issues in greater detail. These are as set out in the terms of reference at paragraph 3 above.
10. The members of the Task and Finish Group were Councillors Mary Evans, Jessica Fleming and Len Jacklin.
11. The review ran from May to July 2016. Evidence was received over the course of two full day meetings held on 23 May 2016 and 15 July 2016. The Group met again on 26 July 2016 to further explore the evidence it had received over the course of the review and to develop its recommendations.

Main body of evidence

The report of the Scrutiny Task and Finish Group is attached as Appendix 1.

Supporting information

Minutes of Scrutiny Committee (10 February 2016); Available from:

http://committeeminutes.suffolk.gov.uk/LoadDocument.aspx?rID=0900271181b62509&qry=c_committee%7e%7eScrutiny+Committee

