



Essex County Council

Corporate Policy and Scrutiny

10:30	Tuesday, 27 March 2018	Committee Room 1 County Hall, Chelmsford, CM1 1QH
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For information about the meeting please ask for:

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Pages

Private Pre-Meeting, Corporate Policy and Scrutiny Committee Members Only

To be held at 9:30am in Committee Room 1, County Hall.

1

Membership, Apologies and Declarations

5 - 5

To be reported by the Senior Democratic Services Officer.

- 2 Minutes of previous meeting** **6 - 11**
To consider and approve the minutes of the meeting held on Tuesday 27 February 2018.
- 3 Minutes of the call-in meeting held on 20.02.2018**
- Information relating to the financial or business affairs of any particular person (including the authority holding that information);
- 4 Questions from the Public**
- A period of up to 15 minutes will be allowed for members of the public to ask questions or make representations on any item on the agenda for this meeting.
- On arrival, and before the start of the meeting, please register with the Committee Officer.
- 5 Procurement** **12 - 23**
To consider report CSC/28/18.
- 6 Budget 2019/20: Pre-scrutiny**
- Members to have a discussion with Cllr L McKinlay, Cabinet Member for Resources around the following:
- The budget setting process
 - How the budget is set
 - What influence the Committee can have on the budget setting process
 - Timescales

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|---|---|---------|
| 7 | Work programme
To note the current position as regards work planning and programming. | 24 - 26 |
| 8 | Date of Next Meeting
To note that the next Committee meeting is scheduled for Tuesday 24 April 2018. | |
| 9 | Urgent Business
To consider any matter which in the opinion of the Chairman should be considered in public by reason of special circumstances (to be specified) as a matter of urgency. | |

Exempt Items

(During consideration of these items the meeting is not likely to be open to the press and public)

To consider whether the press and public should be excluded from the meeting during consideration of an agenda item on the grounds that it involves the likely disclosure of exempt information as specified in Part I of Schedule 12A of the Local Government Act 1972 or it being confidential for the purposes of Section 100A(2) of that Act.

In each case, Members are asked to decide whether, in all the circumstances, the public interest in maintaining the exemption (and discussing the matter in private) outweighs the public interest in disclosing the information.

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| 10 | Urgent Exempt Business
To consider in private any other matter which in the opinion of the Chairman should be considered by reason of special circumstances (to be specified) as a matter of urgency. |
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Essex County Council and Committees Information

All Council and Committee Meetings are held in public unless the business is exempt in accordance with the requirements of the Local Government Act 1972. If there is exempted business, it will be clearly marked as an Exempt Item on the agenda and members of the public and any representatives of the media will be asked to leave the meeting room for that item.

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Agenda item 1

Committee: Corporate Policy & Scrutiny Committee

Enquiries to: Richard Buttress, Senior Democratic Services Officer

Membership, Apologies, Substitutions and Declarations of Interest

Recommendations:

To note

1. Membership as shown below
2. Apologies and substitutions
3. Declarations of interest to be made by Members in accordance with the Members' Code of Conduct

Membership

(Quorum: 4)

Councillor M Mackrory (Chairman)	Councillor D Louis
Councillor J Abbott	Councillor V Metcalfe
Councillor J Beavis	Councillor J Moran
Councillor M Buckley	Councillor R Pratt
Councillor M Garnett	Councillor W Schmitt
Councillor M Hardware	Councillor A Sheldon
Councillor I Henderson	Councillor M Steptoe

Apologies

Councillor M Garnett (substituted by Councillor Malcolm Maddocks)
Councillor W Schmitt (substituted by Councillor Mark Durham)

Minutes of the meeting of the Corporate Policy and Scrutiny Committee, held in Committee Room 1 County Hall, Chelmsford, CM1 1QH on Tuesday, 27 February 2018

Present:

Cllr M Mackrory (Chairman)
Cllr M Buckley
Cllr M Hardware
Cllr J Moran
Cllr M Maddocks
Cllr R Pratt
Cllr W Schmitt
Cllr M Steptoe

The following officers were also in support:

Richard Buttress, Senior Democratic Services Officer
Joanna Boaler, Head of Democracy and Transparency and Statutory Scrutiny Officer

1 Apologies for Absence

Apologies for absence were received from Cllr M Garnett, Cllr I Henderson, Cllr D Louis, Cllr J Beavis and Cllr J Abbott.

It was noted that Cllr M Maddocks was a substitute for Cllr M Garnett.

2 Declarations of Interest

Declarations of Interest were received from Cllr M Steptoe, Vice Chair of the South Essex Parking Partnership and Cllr R Pratt, Chair of the South Essex Parking Partnership.

3 Minutes of previous meeting

The minutes of the meeting held on 28 November 2017 were approved and signed by the Chairman.

4 Questions from the public

There were no questions from the public.

5 Parking Partnerships briefing

Members received report CSC/26/18. Cllr M Mackrory welcomed Liz Burr, Head of Network and Safety/Traffic Manager to the meeting who presented a briefing to the Members on the Parking Partnerships.

Upon conclusion of the briefing, Members made various contributions and received responses:

- The Parking Partnerships were created to resolve some issues, mainly to remove the deficit and create better working relationships
- Both the North Essex Parking Partnership (NEPP) and the South Essex Parking Partnership (SEPP) were asked to create a business case

which identified how much funding was required, to which Essex County Council (ECC) then provided

- Following review of the business cases, NEPP required less funding than SEPP
- Both partnerships receive maintenance funding from ECC. SEPP terminated this funding two years earlier than intended. NEPP's maintenance funding has been extended for a further year
- Both NEPP and SEPP are self-sustaining and have surplus funds available to use
- The difference in the surplus funds between NEPP and SEPP was due to SEPP taking on TRO enforcement earlier than NEPP. The deficits were not equal on day one and NEPP had more than SEPP
- Smart cars are used by both NEPP and SEPP – they add great value and are very visible. The Smart car helps monitor school parking issues
- Parking initiative (3PR) has been introduced outside schools. The school, along with support from SEPP, establish a zone where do they do and do not wish for people to park in the local area
- There are a number of disabled parking bays in areas that are generally not used and both parking partnerships review this to ascertain the number of bays actually being used
- The Committee asked whether there is a criteria for the number of disabled parking spaces in shopping area car parks – a response to this will be provided in writing after the meeting
- The 3PR scheme is currently only being actively promoted in the SEPP area. NEPP are currently monitoring the progress/success of the scheme. That said, the website is accessible to any school who could choose to become engaged themselves - <http://www.schoolparking.org.uk/>
- The installation of a static camera as part of planning applications to monitor parking is feasible however; there are technicalities around what members of the public can be fined for from an unattended camera. A response as to what exactly static cameras can be used will be provided in writing after the meeting
- Parking on pavements can only be enforced by the Police at the moment however, Cllr R Mitchell, Deputy Cabinet Member for Highways, is exploring the possibility of ECC taking these powers on.
- Parking on pavements can be enforced by the Essex Act however, the options are very limited. Another option would be to install grasscrete to improve parking in local areas
- It is no longer the case that only executive members can vote on decisions
- The voting arrangements were changed by central Government, not at local level
- Legislation around any legal order means we are required to consult residents and are restricted to using the local press. It is difficult to find local press that covers enough of the local area in question. Also, ECC are required to use the printed press to advertise
- Maldon District Council has Community Protection Officers who have taken on responsibility for parking enforcement. This arrangement in is

different to the rest of the County and they provide an additional resource on top of existing staff

- Where a school is reluctant to engage with the 3PR initiative, Cllr I Grundy, Cabinet Member for Highways is informed and also, officers look at engaging with the school using partner organisations, such as Fire Officers, Police etc
- It was asked why the implementation of parking restrictions along Chelmer Valley Road took so long – a written response will be provided after the meeting
- It was reported that SEPP had a significant financial windfall following the installation of a bus gate. It was noted that enforcement of bus gates is actually undertaken by ECC and any funds received as a result of contraventions are initially used to cover costs. Any surplus is then used on bus services and any funds remaining are then recycled into highway maintenance work.

Cllr M Mackrory thanked Liz Burr for attending and answering the Committee's questions.

6 Member Enquiries/Highways Report It Tool

Members received report CSC/27/18, which provided an update on the recommendations put forward by the Task and Finish Group in 2017.

Cllr M Mackrory introduced the item by stating the Members will recall at a previous meeting that the Task and Finish Group, for which Cllr M Buckley was the lead member for, made several recommendations and the response to these recommendations are detailed within the report.

Cllr M Mackrory welcomed Mark Godson, Head of Communications and Joanna Boaler, Head of Democracy and Transparency to the meeting.

Joanna informed the Committee that the Member Enquiries function (enquiries from Members, MP's and MEP's) is moving to Democracy and Transparency from 1 April 2018.

Members made various contributions and received the following responses from both officers:

- Essex Highways are continually looking at ways to improve online tools, including the introduction of an automated email with a reference number once an issue has been reported online
- Also looking at stating the last date of inspection onto the online tool
- It was accepted that forward planning can be improved for Members so they are aware of what is happening in their areas (not for every repair but programme information)
- Essex Highways are aligned with ECC in terms of managing expectations and building better relationships with external services
- UK Power Networks (UKPN) have produced an online mapping tool which shows the defects they are dealing with, including timescales for repair

- Essex Highways use Twitter to promote messages – online tools are the most cost effective way of engaging with the public
- The Contact Centre are provided with a lot of information which is used to inform those calling/emailing ECC
- It was suggested that the members of the public are informed of significant events (i.e. flooding) by telephone and text message – this is something that would need to be considered against criteria (cost, feasibility etc)
- All broken highway assets are risk assessed and programmed accordingly. Road signs are a low priority and unless they are safety critical, will remain a low priority
- The cost of signs damaged by vehicles can be recouped if evidence is provided
- ECC/Essex Highways are looking at being more transparent on the Report It tool so a more factual answer is provided
- Essex Highways are looking at ways of providing information to areas with and without Parish Councils
- It was noted there are 'quirks' in the system around the notification of emergency works
- Essex Highways are looking at being clearer with regard to reports disappearing from the online tool – currently, they disappear after 28 days
- If every report was left on the map, it would not be visible at all
- The detail around risk assessments was included as part of the member induction in May 2017 and has also been repeated with District/Borough/City Councils. The minimum intervention level is 50mm and if an issue does not meet this, it's recorded but no further action is taken
- It was noted that there has been an improvement in the Member Enquiries service – the work has been first class, outstanding and the officers are polite and professional
- Roadworks.org is available for all to access – you can opt-in to receive daily, weekly or monthly updates
- It was noted that not all Members use the Member Enquiries service however; it is felt the Report It tool is being bypassed
- It was asked if the UKPN service could be tendered to another provider – this is decision that could only be made from a commercial point of view and a full response was not available to the Committee.

Cllr M Mackrory thanked both officers for attending and responding to the Committee's questions.

7 Work Programme

Cllr M Mackrory posed a question to the Committee to think about any future topics they may wish to discuss.

Joanna Boaler informed the Committee that following the Independent Property Review Commission's review of fire safety standards in ECC buildings, a recommendation was put forward that the relevant scrutiny committee assess the extent to which the recommendations made in the

review have been effectively implemented. It was suggested this is carried out in twelve months' time however; Officers will look to bring this to the Corporate Policy and Scrutiny Committee in six months' time to see how the implementation of the recommendations is moving forward.

Cllr M Hardware declared an interest as he was a member of the panel who carried out the review – Joanna Boaler informed this would not have an impact on the Committee's review at the timescales mentioned above.

Cllr M Buckley suggested looking into ECC's capability of procuring large/high value contracts (non-routine business contracts).

Cllr M Buckley also suggested the Committee have input in the budget for 2019/20.

Joanna Boaler reminded Members of the Terms of Reference for the Corporate Policy and Scrutiny Committee:

- The overall strategic direction, policies and priorities of the Cabinet and of Council
- The Council's financial position and management of the Council's finances and budgets (revenue and capital)
- Corporate policies
- Internal and external communications
- Customer Contact Centre
- Registrations of births, death and marriages
- Coroners
- Matters relating to the activities of support services including:
 - Commercial/procurement
 - Property and facilities management
 - Legal services
 - Performance and organisational intelligence
 - Transformation
 - Internal audit
 - Risk and insurance
 - Health and Safety
 - IT
 - Human Resources
 - Business Support
 - Democratic Services
- The Council's role as an employer
- Services which operate via a trading account
- Essex companies and other legal entities (and ECC's shareholder role)
- Democratic engagement and representation

Cllr J Moran informed the Committee that he was aware of a survey that was sent out by ECC at a cost of around £36,000. ECC expected to receive 5,000 responses however, experts he has spoken to suggested 2,000 responses was a more realistic target and questioned whether this is something the Committee could review in terms of cost effectiveness. Cllr J Moran stated he

would put together a briefing note for the Committee to which a decision could then be agreed.

Richard Buttress suggested to the Committee that the contract with Ringway Jacobs and Fujitsu is a topic that could also be looked into by the Committee.

The Committee were informed that they will be receiving a briefing in May 2018 on ECC's Pay Policy Review.

8 Date of next meeting

It was noted that the next meeting is due to be held on Tuesday 27 March 2018, commencing at 10:30am. Members will not be required to book the whole day as the meeting will likely conclude before 1:00pm.

9 Urgent business

No urgent business was raised.

10 Urgent exempt business

No urgent exempt business was raised.

The meeting concluded at 12:26pm.

Chairman

		AGENDA ITEM 3
		CSC/28/18
Committee:	Corporate Policy and Scrutiny Committee	
Date:	27 February 2018	
Enquiries to:	Name: Richard Buttress Designation: Senior Democratic Services Officer Contact details: 07809 314835 richard.buttress3@essex.gov.uk	

PROCUREMENT

Action required by members at this meeting:

- 1. Members to consider the information provided in the report and to prompt discussion around further points to review.**

Corporate Policy and Scrutiny Committee

Procurement Services

March 2018



Agenda

March 2018

- Review of approach to procure contracts and the effectiveness of this approach
- Review ECC's capability for procuring large/high value contracts

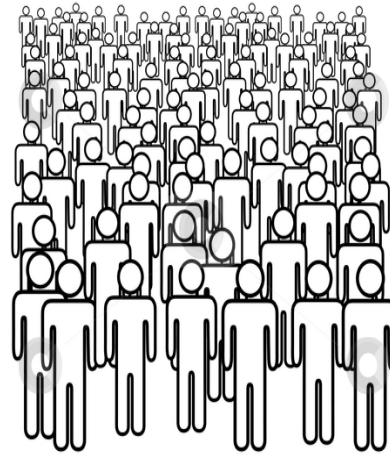
Discussion item

- Consideration of procurements that the Committee could engage in through a Task & Finish

Who do we contract with?



£1.2 billion
per annum
(5 x pay bill!)



9,000
suppliers
40 strategic*



1 OJEU per
week

* Tier 1a suppliers (spend and risk dimension)

Managing the market:

Procurement and Commissioning Cycle

Procurement is part of the end-to-end commissioning cycle, and must support through the cycle:

- Help to inform the commissioning strategy – spend analysis, market analysis, existing contract performance, commercial insight.
- Inform the make v buy decision.
- Run the sourcing process.
- Manage contract mobilisation.
- Manage the contract and supplier relationship throughout the life of the agreement.

The Procurement Cycle

- Review service delivery Vs business needs
- Review customer feedback

- Determine business requirements
- Run tender process
- Select successful supplier(s)

Reviewing service

Going to market

Managing Contract

Awarding Contract

Trends



Issues and complaints

One off



- Performance manage
- Risk management
- Contract compliance
- Relationship management

- Award contract
- Transition to new service

Managing the market

A risk based approach to sourcing

- OJEU rules for services (£181,302) or works (£4,551,413)
- Strategic contracts need to provide best value overall not on every component; so we may not always get the best price on every element of a contract
- Suppliers need profitable sustainable contracts

Value	Approach	Estimated annual value of awards
< £10k	Single price, best value consideration. Self serve	£4m
£10k - £100k	Request for quotation (3 prices), select cheapest. Self serve	£25m
£100k – OJEU threshold	Simple tender. Central team manage	£26m
> OJEU threshold	Central team manage	£1,100m

Managing the market:

Supplier & Contract Management

1. Manage contracts to retain the benefits & drive additional benefits
2. Feed in issues and complaints to management cycle: formal & informal

Sourcing

- Using procurement rules
- Category Management methodology (to aggregate)

Contract Management

- Complaints and Issues
- Variations
- Delivery/quality
- Performance indicators
- Supplier audits & reviews
- Financial performance
- Sustainability (including supply chain)

Supplier Management

- Annual benchmarking
- Relationship surveys
- Cost down initiatives
- Efficiency improvements
- Continuous Improvement
- Eliminate waste

**Internal
Focus**

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**External
Focus**

Procurement Capability

Only County Council to be CIPs accredited

Good assurance rating from internal audit on Contract Management

More than 50% of team formally CIPs qualified

Year on Year savings delivered throughout the procurement lifecycle

Benchmark extremely positively Vs Public and Private sector

Extensive good practice and guidance in place

Excellent reputation in the sector and beyond



What is on the horizon

Next 2 years major decision points for strategic suppliers

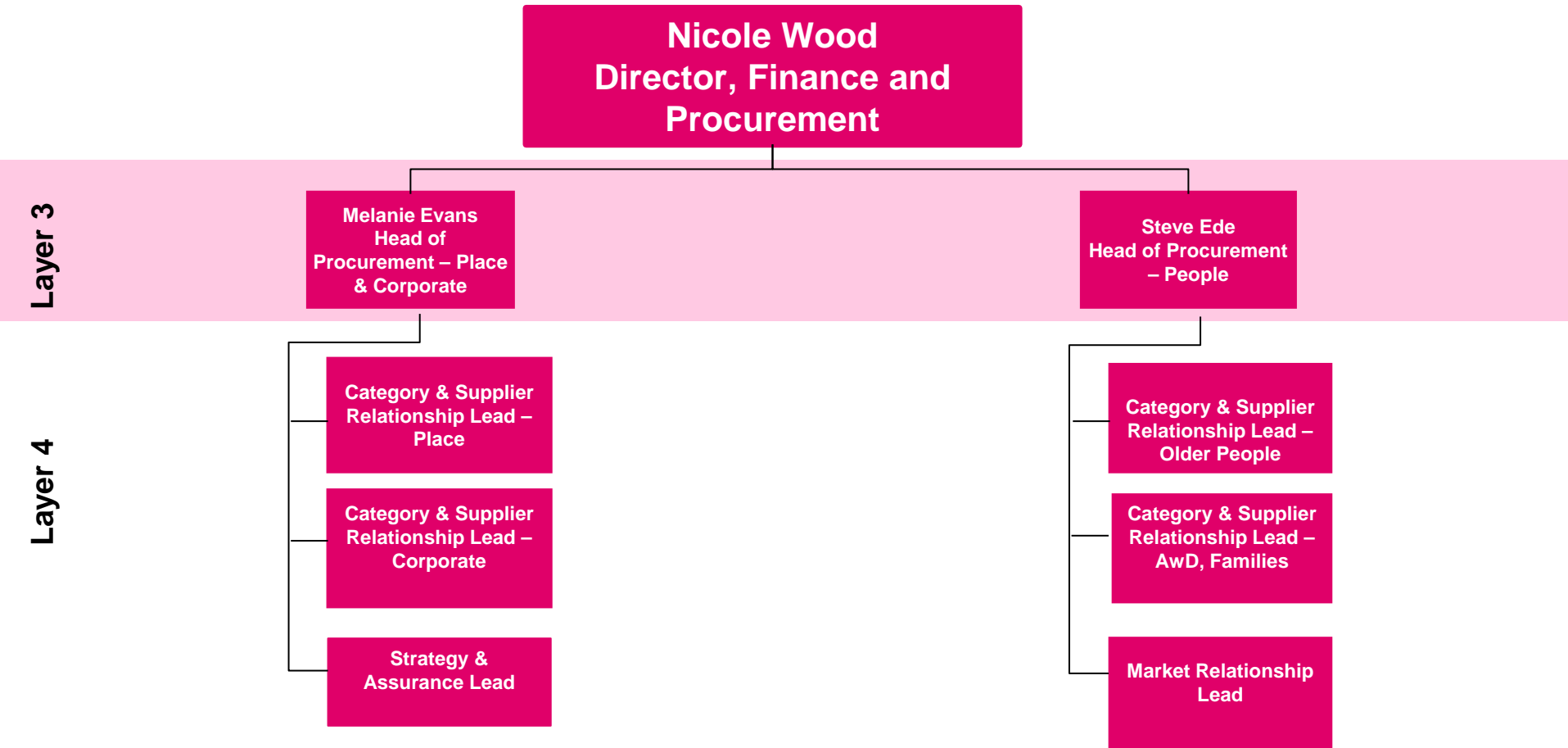
Supplier	Decision	By When
Servelec Annual Spend £0.6m	Contract extension	July 2018. Extension of up to 3 x 12 months possible.
MITIE 17/18 spend £22.7m	Contract extension	October 2018. Up to 5 year extension possible beyond expiry of October 2021.
Ringway Jacobs 17/18 spend £150m	Contract extension	March 2019. Up to 5 year extension possible beyond expiry of March 2022
Fujitsu Annual spend £3.6m	Extension or new procurement	Contract expires July 2019. Extension of up to 2 years possible.
Capita Annual spend £21.2m	Re-procurement of resourcing services	Mobilisation by September 2019
ECL (equipment) Annual spend £8.3m	New procurement	To conclude by Q1 2020/21
Veolia Annual spend £12m	Extension or new procurement	Contract expires March 2021. Extension up to October 2028 possible.
ECL and Allied (reablement) Annual spend £8.4m	New procurement	Contract expires May 2021

Any questions?



Appendix 1

Procurement High Level Structure (as at 1st April)



Procurement have a total of 69 FTE across a range of disciplines

		AGENDA ITEM 5
		CSC/25/18
Committee:	Corporate Policy and Scrutiny Committee	
Date:	27 February 2018	
Enquiries to:	Name: Richard Buttress Designation: Senior Democratic Services Officer Contact details: 07809 314835 richard.buttress3@essex.gov.uk	

WORK PROGRAMME

Action required by members at this meeting:

- 1. To note the current position as regards work planning and programming as reviewed at the February 2018 meeting.**

CORPORATE POLICY AND SCRUTINY COMMITTEE

WORK PROGRAMME 2017-18 (ADOPTED OCT 17 COMMITTEE MEETING)

Approach to topic selection – where can the committee conduct reviews quickly, influence change and make a difference to the residents of Essex.

Date/Timing	Issue/Topic	Focus/other comments	Approach
May 2018	ECC Pay Policy Review	Opportunity to review future proposals regarding the pay review	(i) Timing TBC after further discussions with key officers
TBC – 2018	Public Consultations	Scoping work re costs associated with public consultations	(ii) Timing TBC after further discussions with key officers
First half 2018 – timing TBC dependent on Autumn Budget statement	Business Rates retention	Opportunity to learn more about Local Government funding distribution and any early piloting of national plans.	(iii) Timing TBC – dependent on national plans and any local pilot areas.
June - 2018	Fees and charges	Look to influence at most appropriate time to maximise that influence. Opportunity to see this through 'residents' eyes'.	(i) Timing TBC after further discussions with key officers (ii) Could overlap with remit of other committees so there could be an opportunity for joint working.
April - 2018	Administration of grants	Opportunity to review how grants are distributed externally, mechanisms used, how targeted, where most needed, how get most return.	(i) Timing TBC after further discussions with key officers (ii) Could overlap with remit of other committees so there could be an opportunity for joint working.
May/June 2018	Budget Out-Turn	As November 2017 above.	As November 2017 above

Cont...1/2

Issues previously suggested and to be ‘parked’ pending further information and/or discussions and further evaluation

Date/Timing	Issue/Topic	Focus/other comments	Approach
-	Emerging organisation strategies	These may fall under remit of other committees in any case	(i) To be determined
	Property portfolio	Value of ECC Estate and disposal strategy. suggestion from previous committee	(i) To be determined
2018	Property Investment to shape communities	Focus to be determined.	(i) To be determined
March/April 2018	Procurement	Suggestion from previous committee. (Refer to task and Finish Group report). Committee could look at strategy and how contracts were procured and was it a good way to procure (the efficacy of a contract).	(i) Actual contract performance issues should be considered by appropriate scrutiny committee (e.g. HOSC, PAF or Place) (ii) Further consideration in due course.
2018 – TBC in relation to the organisational design	Registration services	Rationalisation of buildings/co-location. Can scrutiny influence the shaping of something new or will it be a review of the implementation of a strategy?	(i) Could seek an update on where ECC are with the rationalisation programme. (ii) To be determined.
			(iii)

Issues previously suggested and not to be pursued

Date/Timing	Issue/Topic	Focus/other comments	Approach
Not applicable	Libraries consultations	Place and Economic Growth Policy and Scrutiny Committee remit over library services.	(i) This is going to the November 2017 Place and Economic Growth Policy and Scrutiny Committee.
Not applicable	Review of Essex Design Guide	Place and Economic Growth Policy and Scrutiny Committee has remit over planning.	(i) It is not currently an issue being actively considered by Place and Economic Growth Policy and Scrutiny Committee Place committee.