



Essex County Council

Corporate Policy and Scrutiny

10:30	Tuesday, 24 April 2018	Committee Room 1 County Hall, Chelmsford, CM1 1QH
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For information about the meeting please ask for:

Richard Buttress, Member Enquiries Manager

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Email: richard.buttress3@essex.gov.uk

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

To be reported by the Member Enquiries Manager.

4 - 4

2

Minutes of previous meeting

To consider and approve the minutes of the meeting held on Tuesday 27 March 2018.

5 - 8

3

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.

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| 4 | Procurement: Task & Finish Group
Members of the Task and Finish Group looking at the procurement of ECC's resourcing contract will feedback to the Committee the outcome of their initial scoping meeting. | |
| 5 | Work Programme
To note the current position as regards work planning and programming. | 9 - 12 |
| 6 | Date of Next Meeting
To note that the next Committee meeting is scheduled for Tuesday 29 May 2018. | |
| 7 | 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. | |
| 8 | 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. | |

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.

Essex County Council and Committees Information

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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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With sufficient notice, documents can be made available in alternative formats, for further information about this or about the meeting in general please contact the named officer on the agenda pack or email democratic.services@essex.gov.uk

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Should you wish to record the meeting, please contact the officer shown on the agenda front page

Agenda item 1

Committee: Corporate Policy and Scrutiny Committee

Enquiries to: Richard Buttress, Member Enquiries Manager

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 J Abbott

Councillor J Beavis

Councillor M Buckley

Councillor M Garnett

Councillor M Hardware

Councillor I Henderson

Councillor D Louis

Councillor V Metcalfe

Councillor J Moran

Councillor R Pratt

Councillor W Schmitt

Councillor A Sheldon

Councillor M Steptoe

Apologies

None

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

Present:

Cllr M Mackrory (Chairman)
Cllr I Henderson (Vice-Chairman)
Cllr R Pratt
Cllr M Durham
Cllr V Metcalfe
Cllr M Buckley
Cllr J Moran
Cllr M Maddocks
Cllr M Hardware

Richard Buttress, Senior Democratic Services Officer was in support of the meeting.

1 Membership, Apologies and Declarations

Apologies for absence were received from Cllr M Garnett, Cllr W Schmitt and Cllr J Abbott.

It was noted that Cllr M Maddocks was a substitute for Cllr M Garnett and Cllr M Durham was a substitute for Cllr W Schmitt.

No declarations of interest were received.

2 Minutes of previous meeting

The minutes of the meeting held on 27 February 2018 were approved and signed by the Chairman.

3 Minutes of the call-in meeting (FP 01/071/02/18)

The minutes of the call-in meeting held on 20 February 2018 were approved and signed by the Chairman.

4 Questions from the public

There were no questions from the public.

5 Procurement (CSC/28/18)

Members received a report which provided an overview of Essex County Council's (ECC) Procurement service.

Cllr M Mackrory welcomed Melanie Evans and Steve Ede, both Head of Procurement to the meeting.

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

- Upon obtaining three separate quotes, the cheapest is normally selected however, the quotes provided are based on a minimum specification and therefore does not compromise the quality of the product being procured
- The Buying Hub in the Purchase to Pay team scrutinise those requisitions that go through the Request for Quotation (RFQ) process
- Essex County Council (ECC) are able to justify not always going out to tender for contracts. A lot of information is put forward to assess what the options might be in terms of extending a contract
- There is a significant cost difference between a new procurement exercise and extending a contract – this is something that has not been costed before so the exact figures are unavailable
- The biggest issue around Brexit is around the social care market, in particular the impact on staffing. They are working with the market around retaining staff
- A financial assessment is carried out monthly on strategic suppliers to identify any trends or concerns
- ECC's Procurement Team carry out tender and contract management activity for other bodies but this is not actively promoted. The contract management service provided to Schools with PFI contracts is fully funded
- The RFQ process is such that the service area completes this. Officers are expected to have local knowledge of the market for which they are procuring for. The RFQ process equates to £26m of ECC's overall procurement spend
- Businesses can register to receive alerts for contracts that are being procured in their specialist area
- Businesses are given the opportunity to bid for contracts and the policies state that at least one local subject matter expert should be invited to bid but there is no active monitoring by our team
- Concerns were raised around ECC's ability to procure large, specialist contracts, such as Ringway Jacobs and TOVI
- The ability to procure specialist contracts effectively is making sure the commissioning strategy is right. ECC is not always very good at clearly specifying what is required for the service
- ECC service areas write the contract specifications which Procurement offer support with
- Savings are expected to be made over the life of the contract however, this depends on what service or contracts are being procured but as a principle, the aim should be to drive costs down
- Checks and balances are carried out during the evaluation of contract procurement which does not just focus on cost. On the tender, a weighting will be given to quality and a weighting given to cost, ensuring the evaluation criteria reflects both elements.
- ECC is one of the largest buyers in the Country.

At the meeting, it was agreed that a Task and Finish Group will be set up to look at the procurement of ECC's resourcing contract which is due to expire in September 2019.

The Task and Finish Group will comprise of:

- Cllr R Pratt
- Cllr V Metcalfe
- Cllr M Buckley
- Cllr J Moran
- Cllr M Maddocks (representing the People and Families Policy and Scrutiny Committee).

The Task and Finish Group will meet to carry out a scoping exercise and report back to the committee at the next meeting.

6 Budget 2019/20: Pre-Scrutiny

Cllr M Mackrory welcomed Cllr L McKinlay, Cabinet Member for Resources and Margaret Lee, Executive Director for Corporate and Customer to the Committee.

Cllr L McKinlay introduced the item and informed the committee of the following:

- The gap in the budget for 2019/20 is currently £40m and £100m for 2020/21 – this is the ‘do nothing’ gap
- Aim of the budget is to drive up investment - £50m has already been spent on property investment
- A paper is being put forward to look at investing in Essex.

Upon conclusion of this introduction, Members made various contributions and received responses:

- Financial performance information is discussed at Cabinet level and is looking to bring this, and the quarterly financial position, together in a cohesive way – this commenced during Autumn 2017
- Process is running for Business Rate Retention (BRR), specifically around defining and designing a scheme
- The BRR pilot in Essex would have given ECC an extra £7m
- The BRR programme itself does not mean that all business rates are kept within ECC – it would be shared out across other District, Borough and City Councils
- Fair funding review consultation has finished and is awaiting feedback on this. The formula is complex and it is felt this should be more simpler to make it fair
- A green paper on social care and how it is funded and run is being published next year
- ECC, along with all social care authorities, received a proportion of the additional £2bn funding for social care spread over three years
- An update on ECC’s property investment will be circulated to the committee after the meeting
- The reason behind the differences in funding gap between 2019/20 and 2020/21 is due to schemes coming up which has contributed to the smaller gap. Also there will be change to the national living wage which will have an impact on ECC’s budget
- Planning ahead takes into account ageing demographics and those living with health conditions

- Cllr L McKinlay has asked for a report on the lessons learnt from the issues at Northamptonshire County Council and will brief the committee on this upon its conclusion.

7 Work Programme (CSC/25/18)

An update on the Committee's work programme over the next three months was provided. It was agreed by the committee that on rise of the formal meeting in April, Members will receive training on Scrutiny from Richard Buttress, Senior Democratic Services Officer following his recent attendance on a course.

8 Date of next meeting.

It was noted that the next meeting is due to be held on Tuesday 24 April 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 Exempt business

No exempt business was raised.

10 Urgent exempt business

No urgent exempt business was raised.

The meeting concluded at 12:23pm.

Chairman

		AGENDA ITEM 5
		CSC/29/18
Committee:	Corporate Policy and Scrutiny Committee	
Date:	24 April 2018	
Enquiries to:	Name: Richard Buttress Designation: Member Enquiries Manager Contact details: 07809 314835 richard.buttress3@essex.gov.uk	

WORK PROGRAMME

Task and Finish Group activity

A Task and Finish Group to look at the procurement of ECC's resourcing contract has been set up. The initial scoping meeting will be held on Wednesday 18 April 2018 and will report back to the committee during the April 2018 meeting.

Formal committee activity

The current work programme, originally developed during the November 2017 committee meeting, and subsequent discussions between the Chairman and Vice-Chairman, is attached.

Action required by members at this meeting:

Page 9 of 12

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

CORPORATE POLICY AND SCRUTINY COMMITTEE

WORK PROGRAMME 2018/19 (ADOPTED OCTOBER 2017 COMMITTEE MEETING)

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

Date/Timing	Issue/Topic	Focus/other comments	Approach
April 2018	Procurement	Task and Finish Group set up to look at procurement of ECC's resources contract	i. Actual contract performance issues should be considered
May/June 2018	Budget Out-Turn	Historically these have been regular quarterly updates after Cabinet. It is proposed to only do this twice-yearly. This timing aligns with ECC's half yearly Budget Out-turn reporting	i. To be half-yearly in future ii. Cabinet Member to be present iii. To identify particular issues for further 'dive' on an ongoing basis
May 2018	ECC Pay Policy Review	Opportunity to review future proposals regarding the pay review	i. Committee to receive a briefing
June 2018	Fees and Charges	Look to influence at most appropriate time to maximise that influence. Opportunity to see this through 'residents' eyes.	i. Could overlap with remit of other committees so there could be an opportunity to joint working
June 2018	Administration of grants	Opportunity to review how grants are distributed externally, mechanisms used, how targeted, where most needed, how get most return.	i. Could overlap with remit of other committees so there could be an opportunity for joint working
TBC 2018	Public Consultations	Scoping work re costs associated with public consultations	i. Timing TBC after further discussions with key officers
TBC 2018	Property Investment to shape communities	Focus to be determined	i. To be determined
TBC 2018	Property Portfolio	Value of ECC Estate and disposal strategy. Suggestion from previous committee	i. To be determined

TBC 2018	Emerging organisation strategies	These may fall under remit of other committees in any case	i.	To be determined
TBC 2018	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. ii.	Could seek an update on where ECC are with the rationalisation programme. To be determined
TBC 2018	Borrowing	Why we have to borrow? Long-term costs Borrowing strategy	i.	Timing TBC after further discussions with key officers
Issues previously suggested and to be 'parked' pending further information and/or discussions and further evaluation				
	Review process for developing policy	Focus to be determined – suggestion from previous committee	i.	To be determined
	Emerging organisation strategies	Focus to be determined – suggestion from previous committee	i.	To be determined
	Property portfolio	Value of ECC Estate and disposal strategy – suggestion from previous committee	i.	To be determined
	Property investment to shape communities	Focus to be determined	i.	To be determined
	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. ii.	Could seek an update on where ECC are with the rationalisation programme To be determined
Issues previously suggested and not to be pursued				
N/A	Review of Essex Design Guide	Place and Economic Growth Policy and Scrutiny Committee has remit over planning Page 11 of 12	i.	It is not currently an issue being pursued by the Place and Economic Growth Policy and Scrutiny

			Committee
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