
Minutes of the meeting of the Corporate Policy and Scrutiny Committee, held at 10.15am on Thursday, 27 April 2023 in Committee Room 1, County Hall, Chelmsford.

Present:

County Councillors:

Chris Pond (Chairman)
Tom Cunningham
Mark Durham (substitute)
Jane Fleming
Carlo Guglielmi (substitute)
Ivan Henderson
Dan Land
Mike Mackrory (Vice Chairman)
Bob Massey
Anthony McQuiggan
Chris Siddall
Wendy Stamp

Graham Hughes, Senior Democratic Services Officer, and Lisa Siggins, Democratic Services Officer, were also present.

1 Membership, Apologies, Substitutions and Declarations of Interest

The report on Membership, Apologies, Substitutions and Declarations was received and noted. Apologies for absence had been received from Councillors Mike Garnett (for whom Councillor Mark Durham substituted), Sam Kane (for whom Councillor Bob Massey substituted), Marshall Vance (for whom Councillor Carlo Guglielmi substituted) and Councillor Mike Steptoe.

For transparency and in acknowledging that some aspects of the discussion on procurement under agenda item 4 would include references to joint commissioning and working opportunities with districts the following declared non pecuniary interests:

Councillor Tom Cunningham – Deputy Leader at Braintree District Council;
Councillor Carlo Guglielmi – Deputy Leader at Tendring District Council
Councillor Chris Whitbread – Leader at Epping Forest District Council

2. Minutes

The draft minutes of the meeting held on 23 March 2023 were approved as a true record and signed by the Chairman of the meeting.

3. Questions from the public

There were no questions from the public.

4. Procurement update

The Committee considered report CPSC/09/2023 comprising an overview of the procurement service, including how the procurement service leveraged scale to Support Everyone's Essex, supported climate considerations, and worked with other partners.

The following joined the meeting to introduce the item:

Councillor Chris Whitbread, Cabinet Member, Finance, Resources and Corporate Affairs.

Melanie Evans - Director Procurement

Laura Lee - Head of Procurement

During the opening presentation and/or subsequent questioning and discussion, the following was acknowledged, highlighted and/or noted:

- (i) Annual spend on third party goods, services and works was approximately £1.2bn with local spend approximately 64% of the total and SME (small and medium size enterprises) spend approximately 39% of the total.
- (ii) The Procurement Service provided Category Management, Sourcing and Contract and Supplier Relationship Management services. The direct management of tender activity was for contracts valued over £100,000.
- (iii) Part of the category management process was also to analyse 'tail-end' spend below the £100,000 threshold and understand more about what was happening on the lower value spends.
- (iv) Every relationship with a supplier would have a contract underpinning it. In addition, for approximately 13 providers there was also a strategic partnership element to the ongoing management and oversight of the contract. The Ringway Jacobs highways contract was different to other contracts as, in some ways, it operated as an integrated joint service with ECC.
- (v) There was a return to raising awareness of what constituted good and effective contract management since the pandemic.
- (vi) Sourcing gateways would soon be in place to ensure further checks for consistency of approach were scheduled during the procurement process.
- (vii) Increasingly more work was being done on market management and development
- (viii) Suppliers would be asked to sign up to a Sustainability Charter which including aspirations and commitments on modern slavery, environmental, social value and supporting SMEs.

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- (ix) A SME project was underway to better understand local SMEs, CVS, further improve communications with SMEs and improve their access to tender opportunities and ultimately drive-up SME spend. The project was also to encourage large suppliers to engage with SMEs as part of their supply chain.
 - (x) ECC were facilitating and enabling the Shared Procurement Service. It was stressed that it was not an ECC led partnership but should help increase resilience and expertise at district level and could afford the opportunity to promote procurement as a profession. ECC had ring-fenced resourcing to make sure capacity was there to support it. Training and development were part of ECC's key offer and not just for procurement staff but also other key people within the District Council to help foster collaboration, engagement and support going forward.
 - (xi) A Shared Procurement Service should not inhibit or discourage SME involvement in procurement and willingness to tender. It should encourage a more stream-lined process where the same basic tender documentation, for example, could be used irrespective of which district council was procuring. Subject matter experts for setting the contract specifications would still sit at District Council level.
 - (xii) Payment terms for SMEs were ten days.
 - (xiii) Emerging practice around social value did identify procurement as a key area to influence.
 - (xiv) The placement of the Ringway Jacobs contract had predated the social value calculator that was now applied. However, social value impact would be routinely discussed as part of contract management meetings.
 - (xv) The procurement service had now started to include carbon reduction considerations in all contracts valued over £100,000. The supply chain had a massive contribution to ECC's overall carbon emissions. Consequently, there was ongoing work with service areas to develop transition maps/Climate Transition Plans and include their contractors in those.
 - (xvi) It would take time to see progress in reducing emissions. In terms of contractors, ECC would look to monitor this as part of and within a carbon reduction plan although this would apply to the respective organisation as a whole and not just their work for ECC. ECC was actively writing guidance on this specifically for SMEs so that they should not be disadvantaged in seeking these changes and this would help identify where some SMEs may need additional support.

- (xvii) The Essex Anchor Network did not directly include parish and town councils and communications with them would likely be done through the Districts.

Conclusion

It was agreed that:

- (i) Procurement rules for ECC's Country Parks would be checked as it was suggested that their cafes and gift shops, for example, could only procure from a single source and were unable to supplement that with procurement opportunities with local businesses.
- (ii) In connection with communicating with SMEs through channels such as the Backing Essex Business newsletter, social media and a Social Value Festival, a check would be made as to whether information was also disseminated through Districts.
- (iii) Consideration would be given to establishing a holistic monitoring and mentoring process for unsuccessful tenderers to provide feedback after each tender exercise.
- (iv) The learning and collaborative working opportunities from the Strategic Supplier Collaboration Forum should also be shared with the unsuccessful tenderers as referenced above.
- (v) A further breakdown be provided on SME spend and trends.
- (vi) Further clarification be provided on how the aspiration that by 2050 Essex as whole county would be net zero was defined in terms of procurement and ECC reach and influence.

5. Work Programme

The Committee received and noted report CPSC/08/23 comprising the current work programme. It was agreed that an update be scheduled on the latest published Infrastructure Funding Statement and specifically the monies received from section 106 developer contributions and spent.

6. Date of Next Meeting

The next meeting would be at 10.15am on Thursday 27 May 2023 in Committee Room 1 at County Hall.

There being no further business the meeting closed at 11.48pm

Chairman