



Minutes

Name of meeting	OVERVIEW AND SCRUTINY COMMITTEE
Date and time	THURSDAY, 16 AUGUST 2012 COMMENCING AT 5.00PM
Venue	COUNCIL CHAMBER, COUNTY HALL, NEWPORT, ISLE OF WIGHT
Present	Cllrs Vanessa Churchman (Chairman), Jonathan Bacon, Paul Fuller, Stuart Hutchinson, Arthur Taylor, Gary Taylor, Ian Ward, Wayne Whittle
Officers Present	Steve Beynon, Dave Burbage, Sue Dasent, Maisy Green, Stuart Love, Paul Thistlewood
Apologies	Cllrs Julie Jones-Evans, Heather Humby

11. [Minutes](#)

RESOLVED :

THAT the Minutes of the meeting held on [17 May 2012](#) be confirmed.

12. [Declarations of Interest](#)

There were no declarations at this time.

13. [Procurement](#)

The committee considered a report by the Strategic Director for Economy and Environment covering a range of issues relating to the council's arrangements and processes for procurement. Members had previously identified areas where further details were required and the report responded to these.

In discussing the content of the report the following issues were highlighted ;-

- i. There was a level of co-operation with other authorities but this was dependent on the type of contract involved. The main example of this was the purchase of fire appliances.
- ii. The cost of the new procurement and contract management unit (PCMU) was met from the directorates where staff were originally based.
- iii. The decision to place the PCMU in the economy and environment directorate rather than the resources directorate was so that each director was responsible for a corporate function.

- iv. A framework agreement was utilised for the purchase of energy supplies and this was reviewed on an annual basis.
- v. The highway PFI contract contained specific carbon footprint provisions and there were penalties for non compliance.
- vi. The introduction of e-procurement for all tendering was being investigated to ascertain if there was a cost effective business case. This was likely to be mandatory from 2014.
- vii. The council decided upon the terms and conditions applicable for each contract except for IT related issues.
- viii. Contracts were signed off by the relevant service area at an appropriate level according to the costs.
- ix. The Local Government Association had produced a procurement pledge for local authorities. It was also concerned as to changes to the EU procurement rules which would have a detrimental impact upon local authority processes.
- x. The work of the Audit Committee in monitoring the procurement process was noted.
- xi. Where applicable consideration was given to breaking down contracts into smaller packages. There was a need however to ensure that value for money would be achieved.
- xii. Efforts were made to award contracts to island based businesses and suppliers and a range of examples were outlined.

The committee was made aware of the level of savings being achieved through the revised procurement arrangements and the impact of the economic climate on tendering for work. A number of actions were identified which the committee wished to follow up on. Members also thought that it would be helpful to follow the contract process from start to finish so to have a better practical understanding. This could be best done by way of a desk top study of a completed contract.

RESOLVED :

- a. THAT a report on the feedback from the sessions with local businesses be submitted to the committee.
- b. THAT as part of the sessions with local businesses the council should seek their views on the introduction of submission of tenders by electronic means.
- c. THAT the Leader be requested to support the Local Government Association in making representations on the possible changes to EU procurement rules and the need to increase the threshold levels.
- d. THAT officers look at organising a desk top exercise showing members the stages involved in the procurement process from start to finish.

14. **[Comments on the items due to be considered by the cabinet on 21 August 2012](#)**

Members discussed the reports that were due to be the subject of a decision by the cabinet the following week.

(a) Appointment of Highways PFI Service Provider

A query was raised regarding the special purchase vehicle being established for the delivery of the project. The Strategic Director for Economy and Environment indicated that this comprised a number of companies which included those with technical and financial expertise.

A concern was expressed that the council would still remain responsible for claims and the nature of the indemnity provided by the service provider. As this required a more detailed response the Strategic Director indicated that he would supply this outside of the meeting.

It was noted that the council's medium term financial strategy took into account the costs to the council of the contract. A number of inflation scenarios had been assessed. The committee discussed the impact of the contract on the council's overall budget and the ability to make savings in the longer term.

With regard to possible future changes in legislation this had been taken account of and an appropriate level of provision made.

On the matter of the provision of materials for works the contract stipulated that these had to be of the specified standard. There were also carbon footprint requirements. It was the responsibility of the service provider as to how it fulfils these requirements.

The need for an extraordinary meeting of full council to endorse the decision of cabinet was raised by the committee. The leader explained that due to the significance of the item it was felt that an opportunity should be provided for all members to comment on it as the call in provisions had be disapplied.

(b) Quarterly performance and finance report – quarter 1

The Strategic Director for Resources advised that the remodelling of County Hall project was currently on schedule and in budget.

It was thought by the committee that the wording for the regeneration and the economy section dealing with the performance and risks were slightly misleading and should be reviewed.

In relation to the performance for the corporate priority of supporting older and vulnerable residents the committee noted that this remained at amber. Members noted the savings made with adult social care and were concerned that these were impacting upon service delivery. The Chief Executive indicated that the savings were as the result of contract renegotiations. The council was spending more on an annual basis on adult social care. The workforce had also been restructured to deliver the changes brought about by the introduction of 'Think Local Act Personal'. It was suggested that the relevant scrutiny panel should look in more detail at this matter.

RESOLVED

THAT the Health and Community Wellbeing Scrutiny Panel look in more detail at the performance and financial elements of the corporate priority of supporting older and vulnerable residents.

(c) Future of Isle of Wight Music Service

Concerns were raised about the staff resources available to deal with the workload associated with the formal consultation process. The Chief Executive assured the committee that a number of officers were involved in this and there was capacity to undertake the work.

(d) Persistent absence and exclusions in the new secondary school providers : annual update report

It was clarified that the principle reason for the number of exclusions were on the basis of disruptive behaviour by pupils. Mention was made of the role that the strengthening families programme in helping to explore the issues raised by persistent absence and exclusions. The Children and Young People Scrutiny Panel, in receiving information from the six secondary providers, noted that Christ the King College had made no exclusions. This would be an issue that it would follow up to share best practice.

RESOLVED :

THAT the Children and Young People Scrutiny Panel raise with the secondary providers best practice in dealing with pupil behaviour and exclusions.

15. Forward plan and consultations

(a) Items requiring a decision that has not appeared on the forward plan

The chairman reported on her being consulted on a decision that was taken which had not appeared on the forward plan. This related to the sale of St James Hall, Falcon Cross Road, East Cowes.

RESOLVED :

THAT the action of the chairman be noted.

(b) Dis-application of call in

Members were reminded of consideration at the last meeting about the request to dis-apply the call in provisions in connection with the item at cabinet on 29 May 2012 on the highways PFI preferred bidder and final case. In addition reference was made by the chairman to the latest dis-application on the appointment of highways PFI service provider as discussed during the previous agenda item

RESOLVED :

THAT the dis-application of the call in provisions relating to the decisions of cabinet on the highway PFI be noted.

(c) Forward Plan for the period August 2012 to November 2012

Consideration was given to the items included on the current forward plan. Concern was expressed about the delay in the proposed delegated decision on a pedestrian link at Meaders Road, Ryde. The committee was informed that this was due to information still being awaited from the police.

The delegated decision relating to the capital receipts programme had now been made but members highlighted the time delay from when the committee had considered this at the 17 May 2012 meeting. The Strategic Director for Economy and Environment stated that he would ascertain the reason for the delay and advise the committee.

It was also noted that the delegated decision on the prioritisation of public convenience refurbishments 2012/13, originally shown for the end of June 2012 had still to be advertised. The Strategic Director for Economy and Environment advised that this would be processed the following week.

RESOLVED :

THAT the reason for the delay in the delegated decision relating to the capital receipts programme be circulated to the committee.

(d) Consultations

Members were updated on the consultations currently being undertaken. It was noted that the outcomes of the budget consultation exercise would be part of the budget review report to be discussed by cabinet

RESOLVED :

THAT the situation be noted.

16. [Progress reports on recommendations and outcomes](#)

The committee was advised of progress with actions and recommendations arising from previous meetings.

RESOLVED :

THAT the report be noted.

17. **Members' Question Time**

Cllr Ian Ward referred to an item on a local news media regarding the council's policy on the allocation of housing for members, or former members, of the armed forces. He noted that the relevant cabinet member, Cllr Mazillius, had responded to this. The chairman indicated that the Health and Community Wellbeing Scrutiny Panel would be requested to consider a report on this matter.

CHAIRMAN