

REPORT TO: Business Efficiency Board
DATE: 23 May 2012
REPORTING OFFICER: Strategic Director – Policy and Resources
PORTFOLIO: Resources
TITLE: Changes to the Board’s Powers and Duties
WARDS: Borough-Wide

1.0 PURPOSE OF REPORT

1.1 To set out the proposed arrangements to meet the Board’s additional responsibility in relation to the Council’s contractual arrangements.

2.0 RECOMMENDED: That the Board agree to the arrangements set out in the report.

3.0 SUPPORTING INFORMATION

3.1 As part of the annual review of the Council’s Constitution it has been agreed by Council on 18 April 2012 that the following new responsibility be added to the Board’s powers and duties:

“To ensure that the Council has effective processes in place to obtain value for money from its contractual arrangements with third parties”.

3.2 It is proposed that the following arrangements be put into place:

3.3 The current contract register (derived from The Chest) is presented to the Board. The register will show those contracts due to expire within the next 12 months.

3.4 The Board could then select a small number of contracts to be scrutinised from “the cradle to the grave” in terms of decision making, process and seeking value for money.

3.5 To avoid any delay in the contractual process it would be more appropriate for the contracts to be scrutinised outside the normal Board timetable of meetings.

3.6 The Board may also wish to set up a small Topic Group to work with the contract manager (the relevant Operational Director or Divisional

manager from the spending department) and Procurement, with the following terms of reference:

- Review existing contract in terms of its value, expiry date and option for extension.
- Consider alternative methods of delivery.
- Identify potential savings opportunities, particularly in the specification.
- Identify potential collaboration opportunities.
- Consider the Equality Act 2012 and Public Services (Social Value) Act 2012.
- Scope out routes to optimise value for money.
- Map out the timeline of the procurement process in line with the Council's Constitution and EU Public Contract Regulations where this dictates.
- Scope out the specification.
- Develop the tender documentation, including selection and award evaluation methodology.
- Scrutinise the procurement process from The Chest publication through Pre Qualification Questionnaire, Invitation to Tender and contract award, in line with Council best practice and the Constitution; and
- Scrutinise the award recommendation.

3.7 Regular progress reports could be made to the Board, covering such areas as the benefits from the scrutiny, lessons learnt and any proposals for changes to systems and processes.

3.8 The Board would receive training in commissioning, procurement and contract management. Similar training could also be offered to all Councillors.

3.9 It is important to point out that neither the Board nor the suggested Topic Group would have a role in the eventual acceptance of tenders, as procedures already exist in the Council's Constitution to do this.

4.0 POLICY IMPLICATIONS

4.1 It is important, given the current financial constraints on the Council, that its procurement processes are as efficient and effective as they can be. This will play its part in protecting frontline services.

5.0 OTHER IMPLICATIONS

5.1 This new responsibility compliments the other roles the Board has in ensuring the Council has procedures in place to provide value for money to local people.

6.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

6.1 Children and Young People in Halton Employment Learning and Skills in Halton A Healthy Halton A Safer Halton Halton's Urban Renewal

6.2 Proper procurement processes support the Council in achieving the aims and objectives set out in the Community Strategy and the Council's priorities.

7.0 RISK ANALYSIS

7.1 The proposal is set out in such a way that it minimises any risk that it delays the tendering and contracting timetable.

8.0 EQUALITY AND DIVERSITY ISSUES

8.1 European directives preclude limiting the tenderers to a contract to local businesses. Tenderers have to demonstrate that their activities comply with equalities legislation.

9.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972

9.1 There are no background papers under the meaning of the Act.