

EFFICIENCY AND RESOURCES SCRUTINY COMMITTEE

19th April, 2018

PRESENT – Councillor Haszeldine (in the Chair); Councillors Carson, Coultas, Crumbie, Johnson and K Nicholson. (6)

APOLOGIES – Councillor H. Scott and C Taylor (2)

ABSENT – Councillor Crichlow

ALSO IN ATTENDANCE – Nicola Shelley, North East Purchasing Organisation

OFFICERS IN ATTENDANCE – Elizabeth Davison, Assistant Director, Finance, Human Resources and Systems, Luke Swinhoe, Assistant Director, Law and Governance, Sarah Hutchinson, Head of Procurement and Contracts (Commercial) and the Performance Manager.

ER34. DECLARATIONS OF INTEREST – There were no declarations of interest reported at the meeting.

ER35. MINUTES – Submitted - The Minutes (previously circulated) of the meeting of this Scrutiny Committee held on 22nd February, 2018

RESOLVED - That the Minutes be approved as a correct record.

ER36. NORTH EAST PURCHASING ORGANISATION (NEPO) – Nicola Shelley, Associate Director of the North East Purchasing Organisation (NEPO) gave a presentation on the work that Organisation did with local authorities within the North East to procure goods and services in order to deliver savings, maximise efficiencies and promote best practice, through collaborative procurement.

Particular reference was made to the governance arrangements around the organisation, which was a not for profit organisation and was jointly funded by Member authority subscriptions, the collaborative procurement arrangements, the categories of solutions available to Member authorities and the benefits to those authorities and suppliers of using those solutions.

It was reported that, in 2016/17, Darlington's total contracted spend through NEPO was £8.8 million with 34 solutions used, its membership fee in 2016/17, was £55,000 and the rebate received was £88,000. The return on investment, based on the use of collaborative procurement opportunities, calculated in accordance with Crown Commercial Services methodology, was £293,000 (inclusive of rebate).

Discussion also ensued on the additional unmeasured benefits to Darlington in the use of the electronic procurement system (Pro Contract) as well as access to Darlington suppliers of public contract opportunities across the region which was £62.2 million for 2016/17 (inclusive of Darlington Borough Council spend)

It was reported that, not all of Darlington's procurement was undertaken through a NEPO contract, some contracts and services were procured locally in accordance with

Contract Procedure Rules if that was deemed to be the best option.

RESOLVED – That the thanks of this Scrutiny Committee be extended to Nicola Shelley for her interesting and informative presentation.

ER37. PERFORMANCE INDICATORS QUARTER 3 – 2017/18 – The Director of Neighbourhood Services and Resources submitted a report (previously circulated) updating Members on the current position against those key performance indicators under the remit of this Scrutiny Committee for the period October to December 2017.

Particular reference was made to FHR 001, number of full-time equivalent working days lost to sickness (excluding schools) which, although was showing an improvement on the same quarter last year, was unlikely to meet the year-end target. It was reported that the figures were disappointing in view of the on-going health and well-being initiatives and we discussed the processes and procedures in place to ensure management actions were implemented in accordance with those policies and procedures and specific targeted work being undertaken in service areas with particularly high levels of absence.

RESOLVED – That the report be received.

ER38. WORK PROGRAMME – The Director of Neighbourhood Services and Resources submitted a report (previously circulated) requesting that consideration be given to the work programme items scheduled to be considered by this Committee and to give consideration to any additional areas Members felt should be added to the previously approved work programme.

Particular reference was made to a number of quads of aims which had been received since the last meeting of this Scrutiny Committee and Members considered whether to add these to the agreed work programme.

RESOLVED – (a) That the report be received.

(b) That, in relation to the request for an item to be included on the work programme in relation to Procurement, the Assistant Director Law and Governance and the Head of Procurement and Contracts (Commercial) be requested to give a presentation to the next ordinary meeting of this Scrutiny Committee on how the Council procures its contracts and the processes and procedures followed.

(c) That, in relation to the request for an item to be included on the work programme in relation to the Community Survey, this item be not added to the work programme as the Members concerned are satisfied with the responses received.

(d) That, in relation to the request for an item to be included on the work programme in relation to the Housing Revenue Account (HRA), the Assistant Director, Housing and Building Services be requested to give a presentation to a future meeting of this Scrutiny Committee on the HRA and the Housing Business Plan.

(e) That, in relation to the request for an item to be added to the work programme in relation to Section 106 Planning Agreements, as this information is reported six-monthly

to the Planning Applications Committee, Members look at the information which is already available and bring it back to this Scrutiny Committee if it felt necessary.