

## CUSTOMER, COMMUNITY & PARTNERSHIP SCRUTINY COMMITTEE



### Minutes of a meeting of the Customer, Community & Partnership Scrutiny Committee held on Monday, 16 October 2017 at 6.00pm in Meeting Rooms G3/4, Addenbrooke House, Ironmasters Way, Telford

**Present:** Councillors G C W Reynolds (Chair), C N Mason, J M Seymour and B D Tillotson; and Mr D Johnson (Co-Optee)

**In Attendance:** A Astley (Assistant Director Customer and Neighbourhood Services) and D Moseley (Democratic & Scrutiny Services Team Leader)

#### **CCPSC-6 Apologies for Absence**

Councillors J C Ashford, K R Guy and L A Murray

Councillor S Davies, Leader & Cabinet Member for Neighbourhood Services & Pride Programme.

Dave Hanley, Environment & Neighbourhood Services Service Delivery Manager

#### **CCPSC-7 Declarations of Interest**

None.

#### **CCPSC-8 Minutes**

Arising from the minutes, Members expressed disappointment at reports that the Police and Crime Commissioner would be submitting a business case to the Secretary of State regarding the governance proposals for West Mercia Fire & Rescue, despite Local Authority objections.

Some Members expressed concern that the informal working group meeting on 3 August 2017 was not formally recorded although it was acknowledged that all Members received and were able to comment upon the report on Fire & Rescue Governance Proposals.

Members also engaged in a discussion on the use of informal meetings and expressed the opinion that they should only be used in limited circumstances. Therefore, Members considered that Scrutiny Management Board's initial allocation of four formal meetings per year was insufficient. The Chair agreed to raise this with the Board.

**RESOLVED** – that the minutes of the meeting of the Customer, Community & Partnerships Scrutiny Committee held on 17 July 2017 be confirmed and signed by the Chair.

## **CCPSC-9 Grounds Cleansing and Maintenance Contract Procurement**

The Assistant Director Customer and Neighbourhood Services provided Members with an overview of the Grounds Cleansing and Maintenance Contract Procurement. She began by providing context to the presentation, explaining that the previous contract, held by FCC (the parent company of TWS) had been let for a period of 18 years. The contract had three elements: Grounds Cleaning and Maintenance, Waste and Highways. Members were already aware of the procurement process which would see Veolia take over the Waste contract in 2019. This presentation explained the procurement process for a new contract through an OJEU competitive bid procedure. The Highways element was subject to a separate procurement exercise. The grounds and cleansing element of the contract was worth £4.4m pa and took into account a reduction in planned spend from 2019 onwards of approximately £500K. The Council had been working with a specialist consultant (Plan B) who was confident that the procurement exercise would not result in reduced services – in fact there was potential for improvement. It was suggested that procuring for a dedicated grounds and cleansing contractor should be for a 10 year period, with robust key performance indicators, financial penalties, and the option to part ways if necessary built in. The 10 year period had been identified as a result of vehicle lease agreements usually being for 5 years. An offer had been made to all Town and Parish Councils, particularly those with Parish Environment Teams (PETS) to engage on this issue.

A timetable for procurement was provided as follows:-

- June 17 - Market testing undertaken
- December 17 - OJEU Notice & specification to be issued
- April 18 - Supplier Questionnaire evaluated/Bidder companies confirmed
- July 18 – Formal costed Bids received by the Council
- September 18 - Bids evaluated/Preferred Bidder confirmed
- December 18 - Contract finalised and signed
- 1 April 19 – Contract Go Live (following mobilisation)

Essentially the scope of the contract would be repackaged to include the current service provision (grounds: grass cutting, shrub beds, hedges, parks, weed killing, sports pitches, play areas, trees & woodland; and cleansing: cleansing Town & District Centres, litter picking, litter bins, fly tipping, road sweeping, public toilets and removal of dead animals) plus Southwater, Telford Town Park, green guarantee sites and burials. The procurement exercise would allow exploration around the most beneficial option for Horsehay Golf Course and it was anticipated that the added value options provided by the PETS would be continued. As part of the contract, social value options were being sought and it was considered that locally based alternative providers for the management of stray dogs and pest control could be explored. TUPE transfers of the existing TWS workforce would also apply.

The emerging new specification and contract demonstrated a move from a frequency based specification to a hybrid/performance specification. This meant that whilst the Council would continue to identify frequency on some specifications, for others a cleansing standard would be identified and it would be up to the contractor to consider how and when to meet those responsibilities.

Members asked a number of questions as follows:-

*With regard to fly tipping, would the contract pick up from privately owned property?*

Permission was required as otherwise the contractor would be trespassing. However, some woodland/green space which did not appear in the current contract specification was the Council's. Assurance was given that the Council did track flytips whenever possible, put notices on them, and required the landowner to remove them. Each fly tip removal would incur a cost but the issue bore more relation to the enforcement agenda, which was ramping up activity than it did to the grounds and cleansing contract.

*Would the OJEU process allow the exclusion of European countries from bidding?*

The law did not allow such exclusions and, as the contract was worth over £1m, this was the required process. It would be important that the process was followed and watertight against appeals and it was noted that FCC had recently mounted a successful appeal challenge against another authority.

*What happens if suppliers can't deliver the specification for £4.4m pa?*

The process that the Council would go through, known as restricted competitive dialogue, would allow a conversation to take place with suppliers in case the Council's technical advice was out of sync with the real position so that the specification could be changed. Whilst this resulted in a longer process, it would allow the specification to be altered if necessary and for innovation to come forward and be considered.

*Would the contract be inflation proof?*

Inflation was included in the financial model.

*What is the position regarding the Highways contract; what is its value and what are the service standards particularly relating to potholes and gully cleansing?*

This was a separate piece of work and the Assistant Director Customer and Neighbourhood Services agreed to provide a written briefing note for circulation.

Members then discussed the stages in the procurement at which Scrutiny would seek to be involved and agreed that Members would like to the finalised contract specification to be circulated and receive formal updates in April 2018 when the supplier questionnaire had been evaluated and bidder companies confirmed and again in October 2018 prior to the finalisation of the contract by Cabinet in November/December 2018.

### **RESOLVED – that**

- (a) the Committee will monitor the contract procurement through receipt of further updates at formal meetings at the following stages:-**

- April 2018 – Supplier Questionnaire evaluated/Bidder companies confirmed
  - October 2018 – Prior to contract finalised and signed / Cabinet
- (b) the Assistant Director – Customer and Neighbourhood Services will provide a written briefing on the Highways Contract Procurement, focusing on potholes and gully cleansing, for circulation to the Committee
- (c) the Assistant Director – Customer and Neighbourhood Services will circulate the finalised contract specification to the Committee for information
- (d) the presentation slides would be circulated to the Committee

**CCPSC-10 Work Programme**

Members noted the work programme and gave consideration to engaging in further work on Selective Licensing. Information on the expected timescale involved for analysis of consultation feedback would be sought with a view to an update being presented to the next meeting if possible.

The meeting ended at 7.42pm

**Chairman:** .....

**Date:** .....