

**MINUTES of the meeting of General Overview & Scrutiny Committee held at The Council Chamber, Brockington, 35 Hafod Road, Hereford on Monday 13 May 2013 at 2.30 pm**

**Present:** Councillor A Seldon (Chairman)  
Councillor EPJ Harvey (Vice Chairman)

Councillors: EMK Chave, BA Durkin, RC Hunt, TM James, R Preece,  
GR Swinford and DB Wilcox

**In attendance:** Councillors: PA Andrews, WLS Bowen, H Bramer (Cabinet Member - Major Contracts), AW Johnson (Cabinet Member - Financial Management), GJ Powell (Education & Infrastructure), AJW Powers, PD Price (Cabinet Member - Corporate Services) and P Rone  
Agenda Item 8 – Councillor PJ Watts.

**Officers:** Agenda Item 7 - R Ball, Assistant Director, Place Based Commissioning; C Hall, Head of Highways and Community Services; J Parkes-Newton, Interim Procurement Manager, W Longden, Interim Procurement Manager.  
Agenda Item 8 – J Thomas, Interim Housing Solutions Manager, L Norman, Principal Officer Home Point.  
J Jones, Head of Governance, Monitoring Officer/DRO; G Dean, Scrutiny Officer; P James, Democratic Services Officer.

**65. APOLOGIES FOR ABSENCE**

Apologies were received from Councillor Brig. P Jones CBE; Councillor RL Mayo and Mr P Sell.

**66. NAMED SUBSTITUTES (IF ANY)**

There were no named substitutes.

**67. DECLARATIONS OF INTEREST**

8. Scrutiny Review of the Housing Allocation Policy.

Councillor RC Hunt, Non-Disclosable Pecuniary, As Council representative on the Board of the Marches Housing Association.

**68. MINUTES**

**RESOLVED:** That the minutes of 8 April 2013 were confirmed as a correct record and signed by the Chairman.

**69. SUGGESTIONS FROM MEMBERS OF THE PUBLIC ON ISSUES FOR FUTURE SCRUTINY**

No suggestions for scrutiny had been received.

**70. QUESTIONS FROM THE PUBLIC**

No questions were received from the public on matters specifically on the agenda.

## 71. STREETSCENE - MAJOR PROCUREMENTS

The Committee were informed of progress with the Streetscene major procurements that were currently underway. The Committee also expressed its views on issues for consideration in concluding the procurement process to put in place new contractual arrangements from the end of August 2013.

The Cabinet Member – Major Contracts, briefly outlined the budget position and the contract timetable and emphasised that Cabinet would consider the major procurements at a meeting on 13 June 2013.

The Assistant Director, Place Based Commissioning, highlighted that four related procurements had been established to put in place new arrangements from 1 September 2013. These were outlined in more detail in the agenda report but covered: Public Realm; Building Services; Building Cleaning, and Ancillary Services. He took the Committee through the key points in the report.

During the course of debate the following principal points were noted:

- With one month to go the principal elements for the contracts were already in place.
- The competitive dialogue procedure had enabled dialogue with bidders to include locality needs e.g. the Lengthsman Scheme.
- Questioned on the payment mechanisms (para 10.15) it was clarified that lump sum elements may be paid where the risk was low and clearly identified e.g. in building Services where maintenance was programmed and on a costed basis. Reactive payments, which would be kept to a minimum, would be for emergency works.
- The Committee noted the level of intended savings but questioned whether the report set out sufficient financial data to substantiate the savings claimed. Year on year capital/revenue figures would have been useful. In response the committee were informed that historical spending levels had been used and depended on the balance between revenue and capital, and to a degree income from the Belwin scheme. Figures had been presented to Cabinet in an earlier report.
- The contract will allow services to be devolved to other organisations. Competence or enhanced performance may need to be established.
- The Public Realm contract would be for 10 years with options to extend. In circumstances of poor performance it could be cancelled.
- Questioned on information sharing and providing information to ward members, it was confirmed that this would occur under locality or engagement with providers; community, and town and parish councils.
- The Monitoring Officer confirmed that in accordance with the Council's decision making procedure under the constitution, governed by the Local Government Act 2000, Cabinet would make the decision concerning the contracts.
- Officers working with the consultants had strived to ensure that the contract specifications were correct. The Council needed to ensure that the future provider(s) delivered the services to the expected levels.
- The Committee were informed that the competitive dialogue process was a recognised tendering practice and involved dialogue with bidders with the aim of developing alternative solutions to meet requirements.
- There were currently three potential bidders in the Public Realm process.
- The potential for initial capital investment in highway assets had had no limiting effect on bidders, in fact this had been seen as a positive opportunity to discuss the potential for investment.

- While a number of benefits had been identified (see para 10.9) a blended approach would be adopted. All bids would be judged against the set framework.
- Stakeholder input or feedback had been captured over the years and had been fed into the considerations, however, the contracts needed to be in line with the Council's objectives.
- In view of their potentially heightened role, it was suggested that town & parish councils should be given early warning ie via a communications plan, of the range of issues they will need to consider or discuss with the new provider later in the year.
- Staff at risk or affected by the changes will be appropriately managed.
- Questioned on the cost of the procurement process the Committee were informed that an estimate had been provided to Cabinet as part of the budget consideration. Budget provision had also been included in the 2013/14 budget.
- There would be no minimum spend element within the contract. Also there would be no exclusivity to the contract, however, as a responsible client it would be expected that the majority of work would be placed with the contractor(s).
- It was anticipated that small scale ancillary services would be procured on an as and when basis.
- Questioned on how contracts would be assessed and monitored, and by who, the Committee were informed that the Client Team would be monitoring contracts against the performance framework. Penalties may be applied. Conversely contracts may be extended.

**RESOLVED: That**

1. **The Committee recommends that the report to Cabinet, anticipated 13 June 2013, concerning future contractual arrangements to replace the Amey contract should:**
  - a) **Include greater detail on the historical levels of funding for services to ensure that the anticipated level of savings assumed in the report can be clarified and extrapolated;**
  - b) **In relation to the Public Realm contract, include details of how stakeholder requirements captured during consultations have, or have, not been addressed during consideration of the contract proposals;**
  - c) **Provide information immediately to town & parish Councils giving them early warning i.e. via a communications plan, of the range of issues they will need to consider or discuss with the new provider later in the year and that a timetable for these discussions prioritising engagement with city and market towns be drawn up.**
2. **The report entitled Streetscene – Major Procurements, be noted.**

**72. SCRUTINY REVIEW OF THE HOUSING ALLOCATION POLICY**

The Committee considered the findings of the Task & Finish Group scrutiny review of the Housing Allocation Policy and whether to recommend the report to the Executive for consideration.

The Chairman of the Task & Finish Group, Councillor PJ Watts, presented the report and highlighted that the Council was required in response to the Localism Act 2011 to review its housing allocation policy. The Group's task was not to undertake an in-depth review but to challenge and comment on policy proposals as they were brought forward by a Steering Group comprised of officers and Registered Social Landlords (RSLs). The

findings and recommendations arising were set out in the report of the Task & Finish Group.

The Committee questioned or sought further clarification on a number of points both in the review report and the appended draft Housing Allocations Policy for Herefordshire, principally concerning: the use of the term local connection and how this applied to persons outside, but close to, the boundary; as the Council had undertaken a joint Housing Strategy with Shropshire why the Empty Homes Strategy hadn't also been a joint strategy; the use of the term 'reasonable preference'; the rationale for a gross annual household income of £45k; whether the proposals take into account any implications from the Welfare Reform Act 2012 (bedroom tax); how people affected by the reduced housing register will be assisted and whether private sector landlords had plans in place to manage any increased demand.

Having satisfied itself regarding the above points the Committee agreed: that the Chairman of the Task & Finish Group make a number of minor amendments for the purpose of clarity; agreed recommendations A – K in the report, and agreed that the report be forwarded to the Executive for consideration.

**RESOLVED:**

- That**
- (a) the Chairman of the Committee be authorised to finalise the report for submission to Cabinet in consultation with the Chairman of the Task & Finish Group to take account of comments made by the Committee and any proofreading corrections;**
  - (b) subject to a) above the Committee agreed the findings and recommendations contained in the report of the Task & Finish Group – Housing Allocation Policy and to forward the report to the Executive for consideration;**
  - (c) the Executive's response to the Review including an action plan be reported to the first available meeting of the Committee after the Executive has approved its response.**

**73. COMMITTEE WORK PROGRAMME**

The Committee considered its work programme.

The Vice Chairman reported that the Task & Finish Group report concerning the Community Infrastructure Levy (CIL), due to have been submitted to this meeting, had been temporarily withdrawn pending clarification on a number of issues raised by the review. She further reported that clarification was still awaited from the Executive concerning a possible slippage to the CIL timetable. The Chairman suggested that unless the issues were addressed consideration should be given to submitting the report as drafted to the June meeting. The Monitoring Officer reported that a meeting was planned to clarify a way forward.

The Chairman commented that if the results of the Local Development Framework (LDF) consultations were available earlier than planned (18 June) then an extra meeting may be held to consider the responses.

The Chairman further commented that with increased emphasis being placed on commissioning services he was giving consideration to requesting an all member seminar, possibly facilitated by scrutiny, covering the implications and range of commissioning models and methods of monitoring.

The Vice Chairman reported that a briefing paper was being prepared concerning the waste contract. The intention of the paper was to provide committee members with sufficient background to enable them to scrutinise the waste report due to go to Cabinet in September.

The Vice Chairman commented that the Health of Herefordshire report would be circulated to members. She recommended that members study the document with a view to prompting areas or themes for future scrutiny.

It was noted that comments made at Audit and Governance Committee had inferred there were issues regarding communications. The Chairman suggested there may be a common theme and would be investigating whether a scrutiny review should be undertaken.

The Vice Chairman reported that she had met officers to investigate a possible review into the Digital Strategy. As a result a scoping statement was being drafted.

**RESOLVED: That the current position regarding the work programme be noted.**

The meeting ended at 4.43 pm

**CHAIRMAN**

