
RESOURCES OVERVIEW AND SCRUTINY COMMITTEE

Tuesday, 19th March, 2024

Present: Councillor Paddy Short (in the Chair),
Councillors Danny Cassidy (Vice Chair), Mike Booth, Scott Brerton,
Joyce Plummer and Judith Addison and Bernard Dawson

Co-optees Miles Parkinson and Stacy Walsh

In Attendance:

Apologies: Councillor Andrew Clegg
Co-optee Richard Downie

365 Apologies for absence, Substitutions, Declarations of Interest and Dispensations

There were apologies from Councillor Andrew Clegg. Councillor Bernard Dawson substituted. There were also apologies from Richard Downie, Co-optee.

There were no declarations of interest or dispensations.

366 Minutes of Last Meeting

To submit the minutes of the Resources Overview and Scrutiny Committee meetings on 16th and 20th February 2024 for approval as a correct record.

Resolved - That the minutes be received and approved as a correct record.

367 Chair's Update

The Chair updated the Committee. This item is to update the committee on any matters previously sent to Cabinet, Council or elsewhere for consideration, or any other relevant matters the Chair wishes to raise.

There is one update. Members will be aware that at the meeting on the 20th February, the Committee considered budget proposals from the controlling group and some amendments from the opposition. The Committee voted to support the budget as outlined, with the addition of three amendments proposed by the opposition. The comments of the Committee were presented to Council at its meeting on the 27th February. The amendments were not approved by Council.

The item was noted.

368 Procurement Update

The Chair welcomed Executive Directors Jane Ellis and Martin Dyson to the meeting to present the report.

Jane presented. The Council's previous procurement strategy expired in March 2021 and the Council agreed a new procurement strategy in October 2023 which will apply in respect

of the period 2023 – 2027. She drew attention to recent procurement training for officers which takes place regularly, and made members aware that a review of our contract procedure rules was likely to take place later this year after a Government review of the legislation has completed.

All other information is set out in the report. Jane said she and Martin were happy to respond to questions of the committee.

The following questions were submitted in advance, and the responses provided at the meeting.

1. How much do the Council spend locally (with Hyndburn based businesses) in the financial year?

Martin responded – this is very difficult to quantify with the current financial system used by the Council. A new financial system is currently being introduced which should allow for a more detailed breakdown of where Council procurement takes place. Martin will share this with the Committee at a later date.

2. Do our procurement guidelines allow us to prioritise local businesses?

Jane responded – Whilst we cannot prioritise just on location, where our rules allow officers tend to use local businesses. Jane said she had requested some examples from our Housing and Regeneration Department, who deal with a lot of building related contracts. For DFGs we ask for 3 quotes for each job usually accepting the lowest quote as these are mainly under £75k. We use local contractors who provide an excellent service and value for money. This year we will spend £1million on DFGs.

For repairs and maintenance and some compliance we mainly use a range of local contractors who offer excellent service, work and value for money. For others we use frameworks and mini tender within the framework depending on how specialist the work is. E.g. lifts, water safety, aircon.

All work is based on quotes and rotation of contractors. Quotes received are compared to estimates of the work and analysis of quotes which is expected to ensure value for money. We use Hyndburn based surveyors and architects wherever possible to support survey and design work. For some larger contracts, our rules mean we must open tender or use government frameworks.

3. What support does the Council provide to small businesses and local businesses to help them secure work with the Council?

Jane responded – The Council used to hold regular “doing business with the Council events” which may be worth bringing back. The Council website has a business support section which provides information on a wide range of business support related topics.

A specific section within this area of the website relates to “selling to the council” where the focus is on helping companies understand the council procurement process for goods and services, including where we advertise and who to contact. To raise awareness of the website and the upcoming opportunities for businesses, the council with partner Morgan Sindall who are the lead contractor for the projects recently hosted an online workshop specifically to inform businesses of the forthcoming services required and the process to apply.

In addition to this the “Getting Connected” event was hosted at Accrington Town Hall. The event was a chance for suppliers to meet and speak directly to a number of buyers, as well as ask the Council’s Economic Development team for further advice and guidance.

4. Why does the Council not have a central procurement team/officer?

Martin responded – Historically, the Council’s spending has been low in comparison to large Councils who often have central procurement teams. Some procurement is done centrally at Hyndburn, for example the Admin Team procure all offices supplies for the whole Council. Some Councils see Procurement Officers or Teams as cost saving exercise, however, Hyndburn’s officers are efficient at achieving value for money.

Clr Addison enquired about electronic auctions. Jane responded that we used this software in the past but it was determined that the savings made did not justify the cost of the software.

5. How does the Council ensure best value for money when procuring?

Jane responded and referred to the Council’s procurement processes:

- Exposure to the market
- Multiple quotes
- Contracts awarded on price or most economically advantageous
- Audit

The Chair stated that his personal preference would be for the Council to procure as much as is possible locally, but understands there are rules which we must follow. He referred to the Preston model which he said has benefitted the local economy.

Miles Parkinson also referred to the Preston Model, but stated that Preston benefits from major industries, a large hospital and university. The model would be difficult to replicate in Hyndburn.

Clr Mike Booth asked if we quality assure businesses to ensure we get a good service. Jane explained the processes carried out depended on the type of procurement.

Councillor Addison asked how rigorous checks were. Jane responded that these would be relevant to the type of procurement being carried out.

The Chair thanked Jane and Martin for their attendance and report. As this is the last meeting of the year, he also thanked Committee members for all the support over the year.

The report was noted.

Signed:.....

Date:

Chair of the meeting
At which the minutes were confirmed

