

Minutes

**Corporate Services and Partnerships Policy
Overview Committee
Thursday, 20 October 2011
Meeting held at Committee Room 4 - Civic Centre,
High Street, Uxbridge UB8 1UW**



	<p>Members Present: Councillors Richard Lewis (Chairman), Beulah East, Neil Fyfe, Raymond Graham, Shirley Harper-O'Neill, Richard Mills, Robin Sansarpuri and Michael White.</p> <p>Apologies: None.</p> <p>Officers: Bob Alabaster (Head of Procurement), Steve Palmer (Head of ICT and Business Services) and Khalid Ahmed (Democratic Services Manager).</p> <p>Witness: Councillor George Cooper (Member of the Audit Committee)</p>
24.	<p>DECLARATIONS OF INTEREST</p> <p>Councillors Raymond Graham and Richard Lewis declared Personal Interests In Agenda Item 5 – First Major Review – Effectiveness of the Audit Committee and its Terms of Reference as they were both Members of the Audit Committee. They both remained in the room and took part in discussions.</p>
25.	<p>MINUTES OF THE MEETING HELD ON 13 SEPTEMBER 2011</p> <p>Agreed as an accurate record.</p>
26.	<p>EXCLUSION OF THE PRESS AND PUBLIC</p> <p>It was agreed that all items of business were considered in public.</p>
27.	<p>FIRST MAJOR REVIEW – EFFECTIVENESS OF THE AUDIT COMMITTEE AND ITS TERMS OF REFERENCE – WITNESS SESSION</p> <p>Members were provided with a report which provided details of the important points which had been raised by witnesses at the Committee meeting held on 13 September 2011. In addition the Committee was provided with information on the membership of other London Borough's Audit Committees as way of a comparison.</p> <p>Councillor George Cooper, an experienced Member of LBH's Audit Committee attended the meeting and provided the review with his views on the effectiveness of the Audit Committee and</p>

	<p>its terms of reference.</p> <p>Councillor George Cooper – Member of LBH’s Audit Committee</p> <ul style="list-style-type: none"> • The Audit Committee had an important role to play and provided reassurance that procedures were in place to protect the Council • For example in relation to the Corporate Risk Register, the Audit Committee’s role was to scrutinise the processes behind the risk register and to ensure processes were in place to protect the Council • Reference was made to the Internal Audit service within the Council which tried to identify internal weaknesses before weaknesses were exposed. This was an important role of the Audit Committee • It was important that Audit Committee Members were trained to ensure that they could carry out their duties efficiently • Training needed to be on-going and the use of Internal Audit case studies would be a good means of giving Members practical training • Audit Committee substitutes had an important role to play and they also required training • It would be beneficial for Substitute Members of the Audit Committee to attend Audit Committees, and to receive agenda, to ensure they were up-to-date on the workings of the Committee • Reference was made to the importance of building up a number of suitably trained Substitute Members • The membership of the Audit Committee, in relation to both Council and Independent Members could be increased • A second Independent Member would balance up the membership of the Audit Committee and would also ensure that the task of succession planning was much easier should the present Independent Chairman step down • The Chairmen of each of the Policy Overview Committees could be Members of the Audit Committee. Chairmen would have the knowledge and understanding of the service areas under their Policy Overview Committee remit which would be beneficial in their role as Members of the Audit Committee • Reference was made to the proposal contained in the Department for Communities and Local Government consultation on the Future of Local Public Audit whereby local Audit Committees would be responsible for the appointment of External Auditors. An additional Independent Member would provide further impartiality for this task 	<p>Action by:</p>
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	<ul style="list-style-type: none"> • It would be preferable for Members (and Independent Members) to have auditing skills or a similar background • The Audit Committee was reliant on the professionalism of the Audit officers who worked on a daily basis on audit issues. Therefore the balance was correct in terms of officers providing the agenda for the Audit Committee for Members to monitor and oversee • The Audit Committee did receive sufficient assurances from officers on internal audit matters and there were occasions where Corporate Directors and Heads of Service attended Audit Committees to update Members on agreed recommendations from Internal Audit findings and opinion, which had not been implemented • The summary of Internal Audit reports was sufficient in detail for the Audit Committee to scrutinise as full reports would be too detailed for the Audit Committee to scrutinise. Officers provided more detail if required • The Audit Committee worked very well and made challenges to the Head of Audit and Enforcement when required <p>Members thanked Councillor George Cooper for the information he had provided the review. Members noted that for the next meeting of the Committee Ian Luder an Independent Member of the Royal Borough of Kensington and Chelsea’s Audit Committee would provide evidence to the review.</p> <p>RESOLVED -</p> <ol style="list-style-type: none"> 1. That the information provided as part of the witness session be noted. 	Action By:
28.	<p>PROCUREMENT IN HILLINGDON</p> <p>The Head of Procurement attended the meeting and provided Members with a brief presentation on the procurement process within the Council.</p> <p>Members were reminded at their meeting in June consideration was given to a briefing paper which provided an overview of the procurement process within the Council.</p> <p>The following issues were covered in the presentation:</p> <ul style="list-style-type: none"> • In its simplest terms, Procurement was the acquisition of goods and services • Within the context of the Council, Procurement service was about ensuring robust control of external 	

	<p>expenditure, understanding the business requirements, tendering and letting contracts in a compliant manner and enabling the management of supplier relationships in an effective and productive way</p> <ul style="list-style-type: none"> • The Council's Procurement Cycle worked as follows:- Understanding the Council's requirements, assessing how the goods / service could be provided, agreeing the process of acquiring the goods / service, carry out competitive tender exercise, letting the contract in accordance with the Council's Constitution and then managing the contract and supplier performance • The authority levels and delegations for contract were set out in the Council's Constitution in Schedule H, Procurement & Contract Standing Orders • Tenders less than £50,000 could be accepted by the appropriate delegated officer • Tenders more than £50,000 but less than £250,000 could be accepted by the relevant Cabinet Member • Tenders more than £250,000 had to be agreed by the Cabinet • Contracts over £100,000 had to be sealed by the Council • Contract Management was led within the service areas but support was given by Procurement • Procurement had introduced a cross Council Contract Management Framework which set out which suppliers required formal relationship management (strategic, critical & key suppliers) and how the relationship management would be carried out • A Contract Register was maintained of contracts entered into by the Council. This ensured transparency around public expenditure. The Register included details of contracts for the full duration of the contract period • Contract management was used to inform the delivery plan in each directorate for when contracts were to be tendered • The Council's Forward Plan contained details on forthcoming tenders to ensure there was engagement with Councillors and that decisions were planned properly • Procurement was a support function within Central Services which reported to the Chief Finance Officer • Business Partners were resources which were co-located within the Directorates that reported centrally to the Head of Procurement • The Business Partner model was used to influence, lead and where appropriate, challenge officers to deliver efficiency and service improvement • The Business Partner model was the proven method 	<p>Action By:</p>
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	<p>of delivering benefit and ensuring alignment of service objectives with corporate objectives</p> <ul style="list-style-type: none"> • The Procurement service consisted of 14.5 full time equivalent staff which was about the right size for the Authority • Certain areas of procurement were highly specialised and Procurement officers worked closely with skilled service officers on these contracts • In the present economic climate, Procurement was helping service offices and the Council look at expenditure in a more serious way. The Council had to be more efficient and robust conversations took place regarding pricing • There were supplier risk management processes in place to ensure the Council was not at risk in terms of suppliers going out of business • In relation to tenders, the Council had two methods of evaluation; lowest price and most economically advantageous (80% price, 20% quality) • Reference was made to collaborative procurement which took place at both local and national level with Social Care being a good example <p>Members thanked the Head of Procurement for the presentation and praised the work of his team. Procurement was a success story of the Council and one of the main reasons why the Council had driven down costs whilst not impacting on services to the residents. Members asked that the Head of Procurement work with Corporate Communications on publicising the work of his team.</p> <p>RESOLVED -</p> <ol style="list-style-type: none"> 1. That the information provided in the presentation be noted. 	<p>Action By:</p> <p>Bob Alabaster</p>
<p>29.</p>	<p>REPORT BACK ON RECENT POWER CUT IN THE CIVIC CENTRE</p> <p>The Head of ICT and Business Services and the Council's Facilities Manager attended the meeting to provide an update on the generator testing which had taken place after the major Civic Centre power failure in May this year.</p> <p>Members were informed that overall the generator testing which had taken place on 31 August 2011 had been successful. It was believed that Hillingdon was the first Borough to undertake such a test on this scale. There had been a great deal of preparation, planning and support from many areas of the Council in order for it to be possible.</p>	

	<p>As expected there had been a few problems and these were already being investigated. A particular area where there had been problems was within the West Quadrant of Phase 1 of the Civic Centre, where power sockets had not worked.</p> <p>The Head of ICT and Business Services commented that he had confidence that the Generator would operate if there was another power cut in the future. The generator would operate for a four hour period due to the size of the diesel tank. Local diesel suppliers would be on stand-by as they operated a 24 hour service.</p> <p>A further test would be carried out in January and testing would take place twice a year to ensure the Council would be prepared.</p> <p>RESOLVED -</p> <p>1. That the information provided be noted.</p>	Action By:
30.	<p>UPDATE ON THE IMPLEMENTATION OF THE RECOMMENDATIONS OF THE PERSONAL SAFETY REVIEW</p> <p>The Council's Facilities Manager provided the Committee with an update on the implementation of the recommendations of this Committee's review into the Personal Safety of Members.</p> <p>Members asked that in relation to notices with emergency telephone numbers in meeting rooms, this be extended to <u>ALL</u> meeting rooms within the Civic Centre.</p> <p>Officers were also asked to look at providing paper copies of the Restricted Persons Register for both Group Offices.</p> <p>Officers also undertook to take forward looking at providing emergency telephone numbers on the back of Members' security passes.</p> <p>RESOLVED -</p> <p>1. That the information provided be noted and the Council's Facilities Manager and other relevant officers be thanked for the implementation of the recommendations.</p>	<p>Steve Smith</p> <p>Christine Barker</p> <p>Steve Smith</p>
31.	<p>WORK PROGRAMME</p> <p>The work programme was noted.</p>	
32.	<p>CABINET FORWARD PLAN</p>	

	Noted.	
	Meeting closed at 9.20pm Next meeting: 10 November 2011 at 5.30pm.	

These are the minutes of the above meeting. For more information on any of the resolutions please contact Khalid Ahmed on 01895 250833. Circulation of these minutes are to Councillors, Officers, the Press and Members of the Public.