

Minutes

FINANCE AND CORPORATE SERVICES SELECT COMMITTEE

19 April 2023



Meeting held at Committee Room 6 - Civic Centre,
High Street, Uxbridge UB8 1UW

	<p>Committee Members Present: Councillors John Riley (Chairman), Richard Lewis (Vice-Chairman), Kaushik Banerjee, Kishan Bhatt, Narinder Garg, Stuart Mathers (Opposition Lead) and Sital Punja</p> <p>LBH Officers Present: Ian Anderson (Business Manager, Complaints & Enquiries Team) Matthew Kelly (Head of Procurement & Commissioning) Dan Kennedy (Corporate Director of Central Services) Naveed Mohammed (Head of Business Performance) Liz Penny (Democratic Services Officer)</p>
64.	<p>APOLOGIES FOR ABSENCE (<i>Agenda Item 1</i>)</p> <p>Apologies for absence were received from Councillor Gursharan Mand with Councillor Sital Punja substituting. Councillor Richard Lewis had indicated to the Chairman that he would be slightly delayed.</p>
65.	<p>DECLARATIONS OF INTEREST IN MATTERS COMING BEFORE THIS MEETING (<i>Agenda Item 2</i>)</p> <p>There were no declarations of interest.</p>
66.	<p>MINUTES OF THE PREVIOUS MEETING (<i>Agenda Item 3</i>)</p> <p>The Chairman noted that the Select Committee had received an excellent presentation from the Counter Fraud Team at the previous meeting and thanked the Team for their high quality work.</p> <p>RESOLVED: That the minutes of the meeting dated 1 March 2023 be agreed as an accurate record.</p>
67.	<p>TO CONFIRM THAT THE ITEMS OF BUSINESS MARKED AS PART I WILL BE CONSIDERED IN PUBLIC AND THAT THE ITEMS MARKED AS PART II WILL BE CONSIDERED IN PRIVATE (<i>Agenda Item 4</i>)</p> <p>It was confirmed that all items of business were marked as Part I and would be considered in public.</p>
68.	<p>REVIEW OF PROCUREMENT WITHIN HILLINGDON: FINAL WITNESS SESSION (<i>Agenda Item 5</i>)</p> <p>Councillor Richard Lewis was slightly delayed due to unforeseen circumstances and arrived part-way through the discussion on this item.</p>

In respect of the Select Committee's ongoing review, the Chairman confirmed that an independent consultation process had been initiated relating to procurement in the Council. This would run alongside the review and would feed into the work of the Select Committee. The Committee was committed to value for money and high value outcomes.

Matthew Kelly, Head of Procurement and Commissioning, was in attendance and provided the Select Committee with some headline ideas for potential recommendations:

1. Contract management – it was important to maximise value from contracts achieved. Suppliers were better at extracting value from contracts than the Council was at protecting it. The exact mechanism to achieve this had yet to be decided;
2. Improved planning – early visibility and action. 12 months to tender rather than 6 months would achieve better outcomes. It would also support the Council's compliance with the new Procurement Bill which was likely to be going live in early 2024 and would require the local authority to publish plans for contracts over £2m occurring in the next 18 months;
3. Customer of Choice – Hillingdon aimed to be a customer of choice so companies would be keen to win contracts and work with the Council. Longer term contracts and a partnership approach would allow the local authority to build better relationships and drive value for money;
4. Improved engagement with local suppliers – it was important to achieve a balance between social value of local provision and financial value;
5. The new Procurement Bill would see a move to the most advantageous tender – which would provide an opportunity to place other criteria (such as environmental, social and governance) on a level with financial impacts. To achieve better social value outcomes in the tender process, a corporate social value policy would be required;
6. Increased strategic focus – with 100+ projects ongoing and a team of only 12, it was important to focus the limited resources on areas of greatest opportunity. Part of the need for an increased strategic focus was around delivery model and how the Council delivered (ie internal or outsourced)
7. Longer Term contracts – to remove administration and drive value for money through existing relationships but underpinned by benchmarking and value chain analysis
8. Maximum benefit from Oracle implementation – a new financial system was due to go live early 2024; as a minimum this would be an opportunity to tighten spend controls and improve spend reporting;
9. Environmental matters – aligned to the Council's commitment to a carbon zero strategy, procurement had a role to play when commissioning managers etc. It was also important to be mindful of cost implications.

The Head of Procurement and Commissioning was thanked for his invaluable input and expertise.

With regards to the Council's net zero target, Members noted that electric vehicles were preferable but were at times prohibitively expensive; particularly larger vehicles such as refuse lorries. However, there were other lower cost carbon-saving opportunities which would be built in whenever possible.

In respect of contract management, Members recommended a centralised approach and felt a team to oversee contracts would be welcomed. The importance of definitions was also highlighted in relation to terms such as 'local' (in the context of local suppliers) and 'social value'.

In relation to recommendations, the Committee suggested some further points for consideration - how the Council championed quality, noting the importance of demonstrating to residents that quality was equally as important as value and capacity planning to ensure the Council did not lose out due to lack of resources. It was suggested that, where possible, projects be amalgamated to reduce them in number, with the caveat that they would need to be risk-rated prior to a decision being taken. The Council would always have a lot of projects on the go given the large number of suppliers it worked with; reducing the supplier base could be beneficial. Members also noted the importance of policy frameworks to ensure the longevity of the review.

The Committee felt a list of defining factors in relation to 'value for money' would be helpful and observed that working with local businesses offered both social and economic incentives in terms of added value. It was important to use new technology even though it was constantly changing and progressing.

The Head of Procurement and Commissioning informed Members that considerable progress had been made in terms of quality. In the past tenders had been evaluated based on 80% cost and 20% quality; this was now 50% cost / 50% quality and there was flexibility in this calculation to drive the right outcomes. The Committee heard that Hillingdon Procurement Team sought to reduce costs, improve quality and manage risk and worked closely with Councillors and stakeholders to get this balance right. It was confirmed that the Council built in evaluation for social value but a better understanding of the Council's specific aims with regards to this would be welcomed and allow increased use of TOM's framework.

Members were informed that the Council would be granted a period of six months to implement the requirements of the new Procurement Bill. It was acknowledged that contractors would need to be brought up to speed to ensure they were compliant. A recommendation in relation to the Council's use of sub-contractors was suggested. The Committee also proposed a recommendation regarding collaborative work and training in respect of smaller businesses.

The Committee highlighted the fact that some recommendations would require ongoing work while others would be more practical and immediate.

RESOLVED: That the Committee noted the verbal update and discussed ideas for recommendations in relation to its review of Procurement within Hillingdon.

69. **UPDATE ON THE NEW MEMBERS' ENQUIRIES PROCESS** (*Agenda Item 6*)

Naveed Mohammed - Head of Business Performance, Ian Anderson – Business Manager, Complaints and Enquiries and Dan Kennedy – Corporate Director of Central Services were in attendance to present the report and respond to Members' queries.

The Committee was provided with an update on the new Members' Enquiries Process which had been in place for some 3.5 months. The update focussed on learning to date and ongoing work to build on progress.

The Business Manager – Complaints and Enquiries informed the Committee that the previous Members’ Enquiries system had been in place for approximately ten years. The new system was similar in that an enquiry would be received, responded to, then closed. In response to feedback from Members, a new element of the process was being tested whereby, once responded to, the enquiry would be kept open for 5 working days to allow Members to ask follow-up questions and/or raise additional points, should they wish to do so.

Members heard that the biggest change in the new system related to the ‘definition’ of what a Members’ Enquiry was and the introduction of “Service Requests”. The new system enabled service requests and Members’ enquiries to be dealt with differently and appropriately. Between 17 November 2022 and 3 April 2023, 1,349 Members Enquiries and 1,023 Service Requests had been received. Of the 1,349 Members’ Enquiries, 1,127 had been raised by Councillors and 222 by MPs. 1,214 Members’ Enquiries had been responded to and closed – 1,032 within 10 working days (85%) and 182 had breached (15%). It was confirmed that, during the same period in 2021-2022, 3,169 Members’ Enquiries had been raised.

In response to questions from the Committee, it was confirmed that there had been a drop of 797 (approximately 25%) in the number of Members’ Enquiries received in the current year when compared with the previous year. It was not possible to provide a breakdown for 2021-22 as Service Requests had not been recorded separately at that time; however, a breakdown by service area could be provided. It was noted that the figures tended to fluctuate year on year.

Members sought further clarification regarding the 10 working days target and the 15% breach noting that some complex enquiries could not be cleared in 10 days. A tiered system in relation to Members’ Enquiries was proposed. Officers acknowledged that 10 working days was insufficient in some types of enquiries to investigate and respond, particularly those relating to ASB matters. It would be difficult to introduce a tiered system due to the variety of enquiries received.

Councillors welcomed the definition in the new system and the split between Service Requests and Members’ Enquiries. It was reported that Service Requests were generally being dealt with very efficiently. However, in terms of Members’ Enquiries, Members commented that the new GOSS system was time consuming and very frustrating at times. There was no option for dialogue and enquiries were sometimes closed without a resolution. It was very difficult to manage complicated case work within the new system and a solution was needed to address these issues.

The Corporate Director of Central Services noted that the new Members’ Enquiries system had only been launched very recently. This was an opportunity for Councillors to provide feedback. It was anticipated that the introduction of a 5-day period for Members to ask follow-up questions post-resolution of an enquiry would assist in addressing some of the issues raised. This feature would be launched shortly and further feedback would be sought thereafter. Officers were keen to develop the system further in the future with a view to drilling down into the nature of the enquiries being raised and prevent the need for them.

Members enquired whether Artificial Intelligence and Chatbot were being explored. With regards to a Chatbot function, it was confirmed that it would be very difficult for one officer to deal with all the enquiries received given their diverse nature.

	<p>Councillors raised concerns regarding the closure of cases which had not been fully resolved. The Business Manager for Complaints and Enquiries confirmed that this should not be happening –the enquiry should not be closed until it had been resolved in its entirety. Staff had been reminded of this. He also advised that the system was able to deal with several issues raised under one Members’ Enquiry. It was confirmed that any difficulties with map functionality should be raised with the Business Manager for Complaints and Enquiries directly.</p> <p>Members supported the idea of a document showing answers to Frequently Asked Questions. It was confirmed that a communication in relation to this would be circulated to Councillors shortly. Training manuals were also available.</p> <p>Members proposed the use of Application Programming Interfaces (APIs) such as Tawk To. The Corporate Director for Central Services confirmed that all options were being explored to improve the experience including robotics and AI. Trend analysis was already achievable.</p> <p>It was agreed that officers would be requested to come back to provide a further update to the Committee in October 2023 once the new system had bedded in.</p> <p>RESOLVED: That the Committee noted the report and provided comments to officers as appropriate.</p>
70.	<p>CABINET FORWARD PLAN (<i>Agenda Item 7</i>)</p> <p>RESOLVED: That the forward plan be noted.</p>
71.	<p>WORK PROGRAMME (<i>Agenda Item 8</i>)</p> <p>The Labour Lead suggested the addition of an item relating to financial oversight of the Council. It was agreed that the Chairman and the Labour Lead would discuss this further offline.</p> <p>RESOLVED: That the Work Programme be noted.</p>
	<p>The meeting, which commenced at 7.00 pm, closed at 8.30 pm.</p>

These are the minutes of the above meeting. For more information on any of the resolutions please contact Liz Penny on epenny@hillington.gov.uk. Circulation of these minutes is to Councillors, Officers, the Press and Members of the Public.

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