

ITEM 04

Time commenced – 18:01

Time finished – 18:45

Corporate Services Scrutiny Review Board

14 March 2019

Present: Councillor Marshall (Chair)
Councillors Cooper, A Pegg, Shanker, Peatfield

In Attendance: Dinesh Kotecha – Director of Property Services
Steven Mason – Democratic Services Officer
John Sadler – Strategic Asset Manager
Linda Spiby – Head of Procurement and Contracting

25/18 Apologies for Absence

Apologies were received from Councillors Jackson and P Pegg.

26/18 Late items introduced by the Chair

There were none.

27/18 Declarations of Interest

There were none.

28/18 Minutes of the meeting held on 31 January 2019

The minutes of the meeting held on 31 January 2019 were agreed as a correct record.

29/18 Procurement of Contract/Services Overview

The Board received a report of the Interim Director of Legal, Procurement and Democratic Services and Monitoring Officer on Procurement of Contract/Services Overview. The report was presented by the Head of Procurement and Contracting.

The report described the role and functions of the Procurement Service and outlined the opportunities and challenges being faced by the service.

It was reported that the purpose of the EU procurement rules and the UK legislation (the Public Contract Regulations 2015 (PCR)) was to open up public procurement to EU-wide competition. It was also reported that they therefore established a legal framework governing the procedures and principles for the awarding of public contracts, which fell within the scope of the rules and exceeded specified financial values. Members noted that the legal framework was intended to ensure that contracts were awarded fairly, transparently and without

discrimination on the grounds of nationality and that all potential bidders were treated equally and that these overarching principles applied to all public procurements irrespective of value.

It was reported that the Procurement Service was responsible for ensuring compliance by the Council with PCR and the Council's Contract Procedure Rules. It was also reported that in ensuring such compliance the Procurement Service looked to maximise value for money for the Council by facilitating a competitive environment for suppliers to the Council.

Members noted that the Procurement Service monitored contract spend and reported quarterly to DMTs on live waivers, contracts awarded, contracts requiring renewal and procurement processes in progress. It was also noted that this engagement was designed to result in better planning of processes and, consequently, better results. It was reported that there were over 250 contracts on the current register.

It was reported that the Procurement Service was also responsible for producing mandatory online training for all contract managers on the Council's procurement processes and the basics of public procurement law.

Members noted that the Procurement Service establishment comprised:

- 1 x Head of Service
- 2.41 FTE x Category Manager (3 posts)
- 6 x Principal Officers
- 5 x Procurement Assistants

It was also noted that over recent years the Service had carried a number of vacant posts; however, in November 2018 approval was given to recruit to those vacant posts. It was reported that the advertisements for 2 Principal Officers and 2 Procurement Assistants were posted in December 2018 and all positions had been successfully appointed, with start dates by the end of March 2019.

Resolved to note the background and information contained in the report regarding the Procurement Service.

30/18 Corporate Asset Management Plan (2018-2023) – An Update

The Board received a report of the Director of Property on Corporate Asset Management Plan (2018-2023) – An Update. The report was presented by Director of Property Services and the Strategic Asset Manager.

Members were provided with an overview and updated position of progress made since the formal adoption of the Corporate Asset Management Plan (AMP) (2018-2023) in September 2018.

It was reported that it was recognised that property provided the physical fabric which enabled the Council to deliver its strategic objectives. It was also reported that the failure of this fabric could lead to severe disruption to the Council's ability

to deliver its objectives and increase strain on the Council's financial resources and that an effectively managed portfolio could make a positive contribution to the Council's financial position through reduced operating costs, the generation of capital receipts and the creation of a sustainable source of revenue income.

Members noted that the Council had adopted a corporate approach to the planning and management of the property portfolio to support the delivery of the Council's service needs and achieve corporate objectives and that this was led by the Property Team located within the Corporate Resources directorate.

It was also noted that the new Corporate AMP, adopted in September 2018, set out the strategic direction for the use, management and development of Derby City Council's property assets.

It was reported that the AMP was a Council Plan and that it emphasised that property was owned corporately by the Council and not the services who occupied them. It was also reported that this concept formed the basis of the Council's "Corporate Landlord" approach to the management of its property portfolio and that the AMP sought to further develop the Council's Corporate Landlord model.

Members noted that the Corporate AMP and associated Delivery Programme also provided key inputs into the Council's Capital Strategy; Medium Term Financial Plan and Capital programme. It was also noted that this input allowed the Council to agree the prioritisation of work and associated resources in order to undertake the relevant changes to the Council's property portfolio. Members considered a visual representation of the Corporate AMP attached at Appendix 1 of the report.

Members were updated on progress in the following areas, since the formal adoption of the Corporate AMP:

- Property review & rationalisation, including asset review, service review and strengthening relationships with external public sector partners
- Investment in Derby City Council's retained properties via the Property Capital Programme
- Establishment of a Property Projects Group

Resolved to note the background and information contained within the report regarding progress made around the implementation of the Corporate Asset Management Plan.

31/18 Work Programme for 2018/19 Municipal Year

The Board received a report of the Strategic Director of Corporate Resources on Work Programme for 2018/19 Municipal Year.

Members noted the work programme that had been undertaken in the 2018/19 municipal year.

Resolved to note the report.

32/18 Items Referred from the Executive Scrutiny Board

There were none.

MINUTES END