

<b>MAYOR AND CABINET</b>			
<b>Report title</b>	Comments of the Overview and Scrutiny Committee on the Council's Procurement Procedures		
<b>Contributors</b>	Overview and Scrutiny Committee	<b>Item No.</b>	4
<b>Class</b>	Part 1	<b>Date</b>	13 March 2019

## **1. Summary**

- 1.1 This report informs Mayor and Cabinet of the comments and views of the Overview and Scrutiny Committee on the Council's Procurement Procedures, arising from discussions held at its meeting on 7 March 2019.

## **2. Recommendation**

- 2.1 Mayor and Cabinet is recommended to note the comments of the committee as set out in section 3 below.

## **3. Overview and Scrutiny Committee views**

- 3.1 At the committee's meeting on 7 March 2019 a referral from the Overview and Scrutiny Business Panel was considered.
- 3.2 The committee discussed current procurement procedures and felt that:
- The ranking system was simplistic and should be more complex to allow better analysis.
  - Contracts were sometimes underbid in order to win the contract, but then not fulfilled at a cost to the council. There needed to be a thorough interrogation of the prices put forward in bids.
  - Contract reports were usually entirely exempt, whereas a better approach might be to redact the truly exempt information or put it in a part 2 appendix with the main report being part 1. This would better accord with the Administration's stated aims of openness and transparency.
- 3.3 It was agreed that the following referral from Business Panel requesting a review of the Council's procurement procedures be endorsed and forwarded to Mayor and Cabinet.

### Business Panel:

1. Notes that the scoring system and the balance between quality and price is not robust nor transparent when awarding contract to organisations.

2. Calls for the Council to re-examine its process of quality versus cost, and ensure there is a thorough examination of the factors within both price and quality.
3. Is not convinced continuity or proximity of provision are given sufficient thought in the transition period as part of the evaluation and that needs to be weighted accordingly.
4. In accordance with the Administration's Manifesto commitments to use an in-house provider and secure services locally whenever possible, prominent sections of the process should examine the advantages and disadvantages of in-house and local provision.

It is proposed that:

- The scoring system should be very clear and easy to understand.
  - Mayor and Cabinet should take time to consider proposals from officers before making a decision.
  - Sufficient time and consideration must be given to responses to scrutiny in recognition of the need for parity of esteem.
  - In future: quality, location, continuity and in-house consideration should feature largely when awarding contracts.
- 3.4 The Committee also agreed to ask that Mayor & Cabinet asks officers to consider best practice, including with regard to social value, from other local authorities and report back to Mayor & Cabinet and the Public Accounts Select Committee. Salford City Council was cited as a potential example of good practice.

#### **4. Financial Implications**

- 4.1 There are no financial implications arising out of this report per se.

#### **5. Legal Implications**

- 5.1 The Constitution provides for Select Committees to make recommendations to the Executive or appropriate committee and/or Council arising from the outcome of the scrutiny process.

#### **6. Further Implications**

- 6.1 At this stage there are no specific environmental, equalities or crime and disorder implications to consider.

### **Background papers**

[Business Panel referral](#) – report to the Overview and Scrutiny Committee, 07.03.19  
If you have any queries on this report, please contact Charlotte Dale, Overview and Scrutiny Manager (ext. 48286)