

Cabinet Scrutiny Committee

Minutes of the Meeting Held on Tuesday 29 June 2010

Present:

Mr P Morse (Chair)

Mr T Adams
Dr A Boswell
Mr P Duigan
Mr T Garrod
Mr R Hanton
Mr C Jordan
Mr M Langwade

Mr G Nobbs
Mr M Scutter
Mr J Shrimplin
Mr T White
Mr M Wilby
Mr R Wright

Also Present:

Ms Pippa Bestwick	Head of the Programme Office
Mr Bill Borrett	Cabinet Member, Corporate Affairs and Efficiency
Mr Al Collier	Head of Procurement
Mrs Karen Haywood	Scrutiny Support Manager
Mrs Kristen Jones	Committee Officer
Mr Mark Langlands	Media and Public Affairs Manager
Mr Nick Osborne	Political Assistant
Mr Chris Walton	Head of Democratic Services

1. Apologies and substitutions

Apologies were received from Mr Dobson, Mr Joyce, Mr Kiddle-Morris (Mr Langwade substituting), and Mr Rockcliffe.

2. Declarations of Interests

There were no declarations of interest.

3. Minutes

The minutes of the meeting held 25 May 2010 were confirmed as a correct record and signed by the Chair.

4. Items of Urgent Business

There were no items of urgent business.

5. Call-in Item(s)

There were no items called in.

6. Large Scale Project Processes

- 6.1 Members received the annexed reports (6) by the Scrutiny Support Manager and the Director of Resources. The first report by the Scrutiny Support Manager detailed the background of the item, the issues to consider, and the suggested approach for the Committee, as well as the Terms of Reference for the scrutiny item. The second report by the Director of Resources outlined the current and proposed processes in place for large scale projects within the Council. This included processes for business cases, regular reviews of projects, identification and management of risks and the adherence to good practice.
- 6.2 The Cabinet Member for Corporate Resources and Efficiency, the Head of Procurement, and the Head of the Programme Office were present to answer questions.
- 6.3 During the discussion the following points were noted:
- Members were generally satisfied with the initial stages but questioned what quality monitoring took place at later stages. It was suggested that in some cases it appeared that contract monitoring was more reactionary than proactive, waiting for complaints instead of ensuring quality from the beginning.
 - Members asked if projects were monitored and peer reviewed by people not working on that project and if so, how much of this review was carried out by other Norfolk County Council (NCC) staff and how much by external parties. The point was made that less formal in-house peer review could be carried out before larger projects went out for external review and this would help focus the external reviews and save time and resources. The Head of the Programme Office replied that internal reviews on non-capital projects were taking place while external reviews for larger (capital) projects would be being carried out by Local Partnerships to standards set by the Office of Government Commerce (OGC).
 - Members questioned the difference between the approaches for capital and non-capital projects. The Head of the Programme Office replied that her team's focus was currently around non-capital projects so that this process could be standardised across NCC. She added that all projects within NCC should be carried out using NCC Project Management guidelines, which were used for both capital and non-capital projects. To assist project teams in following this guidance, her team held Project Manager Forums three or four times each year to share learning and best practice.
 - Members sought greater understanding of the hierarchy of risks on risk registers throughout NCC and asked whether there were internal

reviews of risk registers between departments at NCC. The Head of the Programme Office noted that risk management reviews did take place across the council.

- The Head of Procurement stated that by law the evaluation criteria could not be changed after the tender documents had been issued. Therefore it was very important that Members were involved at an early stage to see the criteria were appropriate.
- The proposed care homes contract with Norse was raised and the Cabinet Member was questioned about how this project followed the recommended large scale project processes. The Cabinet Member replied that the contract had not been awarded and that he was still waiting to see the business case before a decision could be made on whether to progress.
- The Head of Procurement stated that corporate officers were available to support project managers in Departments when needed. To assist with the oversight of contracts, however, he and his team were currently establishing a single contract register.

RESOLVED:

6.4 To receive another report on this issue in nine months time.

7. Contract Management Case Studies

7.1 Members received the annexed report (7i and 7ii) by the Scrutiny Support Manager and the Director of Resources. The first report detailed the background of the item, the issues to consider, and the suggested approach for Members to take. The second report set out a series of contract management case studies which covered a variety of contracts drawn from across the organisation.

7.2 The Cabinet Member for Corporate Resources and Efficiency, the Head of Procurement, and the Head of the Programme Office were present to answer questions.

7.3 During the discussion the following points were noted:

- The question was raised by a Member whether Norse was subject to procurement law. The Head of Procurement stated that the law stated that in essence, if one organisation was wholly controlled by another, then there was no need under procurement law for contracts to go out to tender. The Chair reminded Members that a scrutiny of NCC's relationship with Norse would be undertaken within the Corporate Resources Overview and Scrutiny Panel.
- Members asked what processes were in place to make sure that there was not an automatic default to using consultants; last year

NCC spent £2.6m on consultants and it was necessary to evaluate their effectiveness. The Cabinet Member replied by saying that consultants bring fresh eyes and an unbiased view. Consultants were needed because they helped change the culture of an organisation, something that an organisation would find difficult to do from the inside. He commented that senior offices were responsible for making the decision about whether to hire consultants and it was important that they had the authority to make this decision.

- Members questioned how the 'soft' aspects of a contractor were measured, such as the quality of their work or their customer relationship skills. The Head of Procurement replied that ways of doing this included reviewing the CVs of the contractor's proposed team, interviews with the contractor, and the contractor's track records with other projects and references received. However, he noted that there was a level of judgement involved in appointing contractors. A judgement also needed to be made regarding the price/quality split, which would vary between projects.

RESOLVED:

- 7.4 To note the report and to note that scrutiny of this item would continue in August.

8. Meeting with MPs

- 8.1 Members received the annexed report (8) by the Scrutiny Support Manager. The report outlined the plans for the upcoming Cabinet Scrutiny Committee meeting with Norfolk's MPs to be held at 10:00am on the 23 July 2010 in the Edwards Room, County Hall.

- 8.2 During the discussion the following points were noted:

- The Chairman reminded Members to submit their questions to their Scrutiny Leads so that these could be finalised and prioritised.
- Members wished to ask the MPs what they saw as the major issues for Norfolk and where Norfolk's priorities (such as the A11 and the Northern Distributor Road) fit in with other competing national priorities.
- Members wished to ask the MPs how, with the changes to regional bodies, planning structures, and funding reviews, they as Norfolk MPs will help in ensuring that an appropriate level of growth can be delivered sustainably for Norfolk and the growth point areas. Members also wished to ask the MPs what an 'appropriate level of growth' would be and how environmental sustainability could be assured.

RESOLVED:

- 8.3 That Members would pass any further questions for Norfolk MPs to their Scrutiny Leads.

9. Cabinet Scrutiny Committee: Forward Work Programme

- 9.1 Members received the annexed report (9) by the Scrutiny Support Manager. The report contained the issues raised for future scrutiny and the suggested approach for Members to take.

RESOLVED:

- 9.2 To agree the report.

The meeting concluded at 11:05am.

CHAIR



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