

**Minutes of the
Policy and Resources Scrutiny Panel
(to be confirmed at the next meeting)**

Date: Monday, 17 June 2024

Venue: Collingwood Room - Civic Offices

PRESENT:

Councillor Mrs S M Bayford (Chairman)

Councillor F L Burgess (Vice-Chairman)

Councillors: S Dugan, D J Hamilton, Miss T Harper, P W Whittle and
R N Bird (deputising for Mrs K Mandry)

**Also
Present:**



1. APOLOGIES FOR ABSENCE

An apology of absence was received from Councillor Mrs K Mandry.

2. MINUTES

RESOLVED that the minutes of the Policy and Resources Scrutiny Panel held on 22 January 2024 be confirmed and signed as a correct record.

3. CHAIRMAN'S ANNOUNCEMENTS

There were no Chairman's announcements.

4. DECLARATIONS OF INTEREST AND DISCLOSURES OF ADVICE OR DIRECTION

There were no declarations of interest made at this meeting.

5. DEPUTATIONS

There were no deputations made at this meeting.

6. INTRODUCTION TO POLICY AND RESOURCES PORTFOLIO

The Panel considered a report by the Assistant Chief Executive Officer which outlined the Panel's Scrutiny responsibilities, the Policy and Resources portfolio remit and highlighted the relevant priorities from the Council's Corporate Strategy 2023-2037. The report also provided members with guidance and helpful tips on how to conduct effective scrutiny.

RESOLVED that the Panel note the content of the report.

7. PRESENTATION ON THE COUNCIL'S APPROACH TO PROCUREMENT AND CONTRACT MANAGEMENT

The Panel received a presentation from the Strategic Procurement Professional on the Council's approach to procurement and contract management. (A copy of this presentation has been appended to these minutes).

The presentation was broken down into four categories, with questions taken at the end of each category;

1. Approach to Procurement and Achieving Value for Money
2. Procurement Controls and Assurances
3. Procurement Lifecycle Improvements
4. Impact on Procurement Act 2023

Members asked a variety of questions of officers following presentation. It was noted that the workload for the procurement team is high and members asked how this is resourced especially during busier times due to the procurement team being a small team. The Strategic Procurement Professional advised that the team remain constantly aware of upcoming projects and ensure that they

engage with service areas early to ensure that the work is completed within the prescribed timescale. He also advised that service areas may need to reallocate staff at times to assist with procurement projects where they are complex and time intensive.

Members also enquired as to whether the opportunities plan work had any impact on procurement, and whether it was worth undertaking this review again. The Assistant Director (Finance and ICT) addressed the Panel on this item and advised that the original plan was only for two years and whilst it has had a positive impact it is not something that can be measured in terms of procurement. She did advise that there is a lot of value in undertaking this exercise again and this will be considered at a later date.

RESOLVED that the Panel noted the content of the report.

8. PRESENTATION ON THE COUNCIL'S POLICY FOR THE REGULATION OF INVESTIGATORY POWERS (RIPA)

The Panel received a presentation from the Assistant Director (Finance and ICT) on the Council's policy for the Regulation of Investigatory Powers (RIPA). (A copy of this presentation has been appended to these minutes).

Members were keen to note positively that the use of these powers is very rare.

A question was raised in respect of the very low usage of surveillance to establish if someone was living at a property or not, and whether this means that we do not investigate many of these cases. The Assistant Director (Finance and ICT) addressed the Panel to confirm that there are various channels available to report suspicions of fraud. These are assessed and cases prioritised for full investigation. There is an array of investigation techniques used to establish the truth of the case and surveillance is just one of these used in higher value cases where there is a high likelihood of legal proceedings being taken.

RESOLVED that the Panel note the content of the report.

9. EXECUTIVE BUSINESS

The Panel considered the Executive items of business which falls under the remit of the Policy and Resources Portfolio, including Executive Member decisions and Officer delegated decisions, that have taken place since the last meeting of the Panel on 22 January 2024.

(1) Citizen of Honour Nominations 2024

There were no comments received.

(2) Daedalus Vision and Outline Strategy - 2024 Update - Progress and Next Steps

Councillor Hamilton enquired as to when the airside activities would become sustainable. The Daedalus Programme Lead (Airside) addressed the Panel on

this item and confirmed that due to binding restrictive covenants we are obliged to operate an airfield which can be a benefit to the non-airside activities (such as land sales and leases). This means that the site should be viewed as a whole.

(3) Electric Vehicle Charging Tariff for Osborn Road Car Park

There were no comments received.

(4) Finance Strategy, Capital Programme, Revenue Budget and Council Tax 2024-25

There were no comments received.

(5) Housing Revenue Account 2024-25

There were no comments received.

(6) Irrecoverable Debts

There were comments received.

(7) Renewable Energy Scheme - Hook Recreation Ground Solar Photovoltaic (PV) Development Feasibility

There were no comments received.

(8) Solent Enterprise Zone - Retained Business Rates and Infrastructure Investment Plan

There were no comments received.

(9) Town Centre Regeneration Strategy and Action Plans - Options

There were no comments received.

(10) Treasury Management Strategy 2024-25

There were no comments received.

(11) Updated Complaints Policy

There were no comments received.

(12) CONFIDENTIAL - Local Nutrient Mitigation Fund - Land Acquisition

There were no comments received.

(13) CONFIDENTIAL - Sale of Land Parcel at Faraday Business Park, Daedalus

There were no comments received.

10. SCRUTINY PRIORITIES

The Panel considered the Policy and Resources Scrutiny Panel priorities for 2024/25 and were given the opportunity to put forward any further items they would like to consider during this municipal year.

Councillor Whittle requested an item on the Daedalus Vision but was informed that this would be an item that would go to the Daedalus Scrutiny Panel as it falls under their remit.

He also requested that the unallocated item on the Town Centre Regeneration be added to a meeting date in this municipal year. Officers advised that they are unable to confirm a meeting date for this item at present as it is still unknown as to when this will be ready for pre-scrutiny. However, it was agreed that officers would speak to the service area concerned and make the request known.

(The meeting started at 6.00 pm
and ended at 8.02 pm).

..... Chairman

..... Date

Procurement and Contract Management

Richard Guyver

Strategic Procurement Professional

Daedalus Programme Lead (Airside)

- I) APPROACH TO PROCUREMENT AND ACHIEVING VFM
- II) PROCUREMENT CONTROLS AND ASSURANCES
- III) PROCUREMENT LIFECYCLE IMPROVEMENTS
- IV) IMPACT OF PROCUREMENT ACT

APPROACH TO PROCUREMENT AND ACHIEVING VFM

Economy (Inputs)

Efficiency (Inputs into Outputs)

Effectiveness (Outputs)

1. Providing Housing Choices
2. Respond to climate change and protect the environment
3. Strong, safe and healthy communities
4. Promote Economic Development
5. Leisure opportunities for well-being and fun
6. Responsive, inclusive and innovative council

Year	Completed by Procurement	Completed Other	Active	Not started
22/23	48	16		
23/24	39	4	27	
24/25	0	2	26	88

Joint Procurement:

Insurance

Framework Agreements:

Aggregation:

Utilities Review

Extending Contracts

APPROACH TO PROCUREMENT AND ACHIEVING VFM

QUESTIONS

PROCUREMENT CONTROLS AND ASSURANCES

ROUTE	Examples of Use
Non-Tender Routes	
Electronic Catalogues	Use of pre-agreed arrangements the Council has with a supplier. Examples include stationery & protective clothing online catalogues for purchasing goods via virtual credit card arrangements.
In-house provision	Use of other parts of the Council able to provide the service.
Corporate Contracts	Purchasing from a contract the Council already has in place which can accommodate that additional need. e.g. Tree maintenance services, cleaning contract, legal partnership
Direct approach	Direct engagement of a known supplier who is capable of meeting the Council's needs and provides value for money for the tax payer. This route must NOT be used where a conflict of interests exists with the supplier or where a competitive process is required.
Contracts with controlled entities	Under PCR 2015 a contracting authority (such as a council) can directly award a contract to another body (such as a local authority company) if all the following conditions are met: <ul style="list-style-type: none"> ✓ The contracting authority exercises control over that body which is similar to the control it exercises over its own departments. ✓ More than 80% of the activities of the controlled body are carried out performing tasks entrusted to it by the controlling contracting authority ✓ There is no direct private capital participation in the controlled body
Shared Service with another public authority	Under PCR 2015 Regulation 12(7) two or more contracting authorities can enter into a shared service agreement if the following conditions are met: <ul style="list-style-type: none"> ✓ the contract establishes or implements a co-operation between the participating contracting authorities with the aim of ensuring that public services they have to perform are provided with a view to achieving objectives they have in common; ✓ the implementation of that co-operation must also be governed solely by considerations relating to the public interest (which includes meaning that it should not be a means to generate profits); ✓ and the participating contracting authorities perform on the open market less than 20% of the activities concerned by the co-operation.
Soft market testing	Pre-tender research into suppliers and their prices. E.g. web searches, phoning suppliers, peer recommendations. It includes testing commercial market capabilities of meeting a set of requirements such as identifying whether there are enough interested suppliers to maintain competitive pressures.
Obtaining 3 Quotes	May be used following soft market testing exercise whereby suitably qualified and capable suppliers may provide a quotation direct to the service.
Auctions	Procurement through auctions is only permissible in exceptional circumstances. In these cases, the Council's policy and procedures for auctions as set out in Financial Regulations Support Document 5 must be followed.

reshold driven

Thresholds:

Executive Examples: Fareham Live Operator, Assheton Court Construction, Corporate Cleaning Contract, ORMSCP Demolition
Executive Member Examples: Fareham Park Play Area Build

Delegated Authority

Key decisions and Other Member Consultation

Thresholds: CX/Dir, Head of Service, Nominated staff

Signing of agreement/contract

Due Diligence:

Data, Cyber, Insurance, Financial, Accreditations, Safeguarding,
Complaints

Annual Audit: Suppliers

Reporting

Newsletter

Monthly S151, Quarterly CX

Annual Report & findings CX and A&G Committee

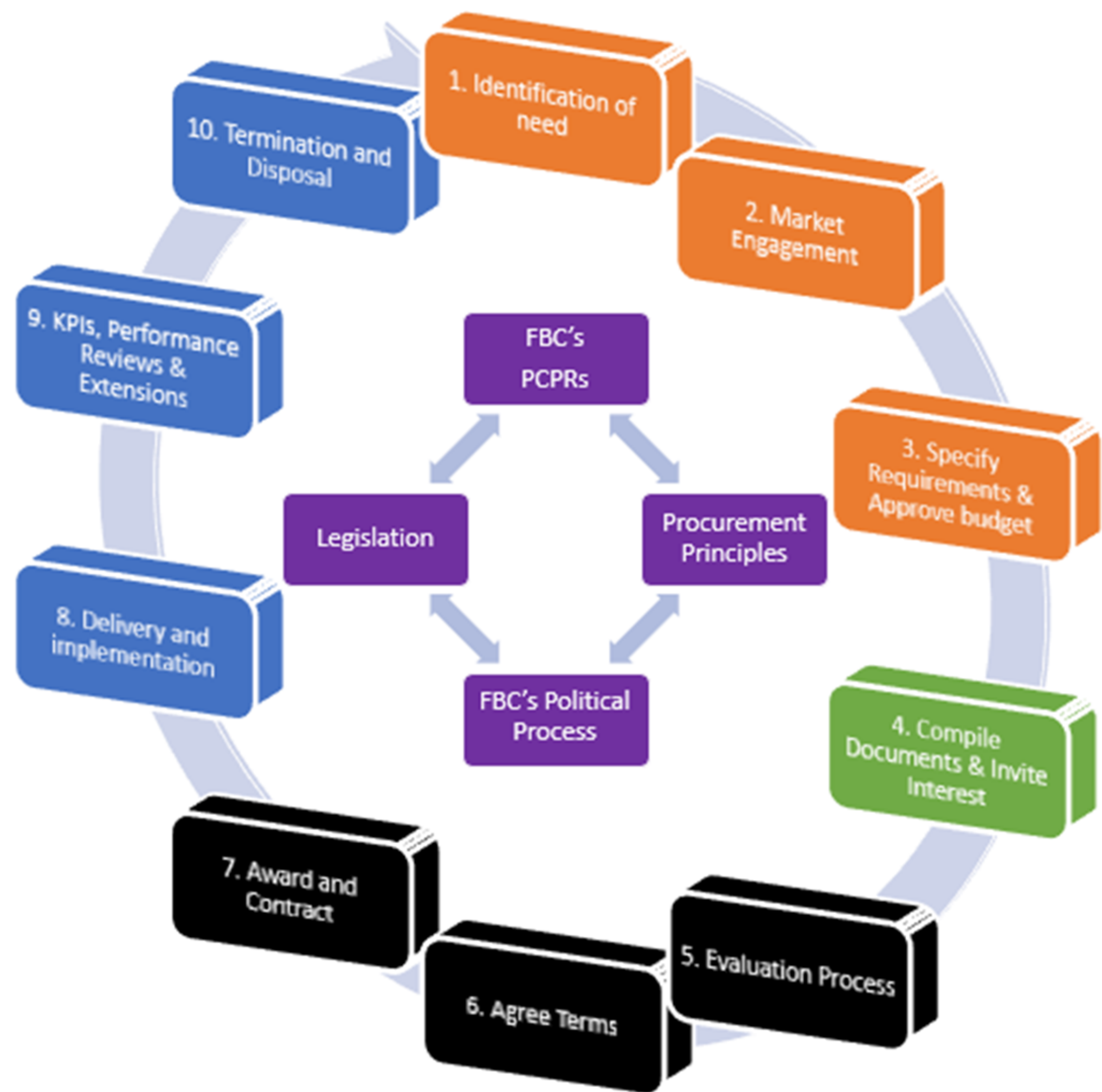
PCPRs, Training Videos, Officer Guide, New Joiners, Debriefs

PROCUREMENT CONTROLS AND ASSURANCES

QUESTIONS

PROCUREMENT LIFECYCLE IMPROVEMENTS

(SINCE MARCH 2022)



Business Expo: Engagement with Local SMEs
Economic Development Relationship
Use of Business e-Newsletter for advertising opportunities
Simplified Procurement: 6 Documents down to 2
Case by case risk-based approach to Financial Assurance
Economy & Efficiency: Officer time, no cost.
Effectiveness:

Priorities 2, 4 and 6

Supplier spend dashboard on Tech 1



Proportionality is key Procurement Principle, underpinned by Regulations
High Stakes Procurement Approach
ICT Systems Procurement Model

Economy & Efficiency: Officer time, no additional cost

Effectiveness:

Priority 6 especially (but all affected)

Case Study: Assheton Court Construction



Contract management issues
Contract Register & Manager Triggers
Digital signatures
Liquidity Triggers
Contract Manager Pioneers
Template Database
Economy
Efficiency
Effectiveness: Priorities 2, 4, 6

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RESPONSIVE, INCLUSIVE AND INNOVATIVE COUNCIL

- Hard work
- Value for money
- Low Council Tax
- Customer engagement

6

CLIMATE PROTECT

- Reducing carbon emissions
- Keep the Borough clean and attractive
- Support biodiversity and enhance green spaces
- Increase recycling
- Coastal management

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PROCUREMENT LIFECYCLE IMPROVEMENTS

(SINCE MARCH 2022)

QUESTIONS

IMPACT OF PROCUREMENT ACT (GO LIVE 28/10/24)

Public Contract Regulations 2015

PA 2023 Royal Ascent 26/10/23

28/10/24 Go live (some parts delayed)

Procurement Working Group

Training and Implementation

All

Transparency increase

Pre procurement and contract management

Debarment list

Terminology changes

Focus on SMEs (remove barriers)

Delivering VFM & Maximising Public Benefit

Act with Integrity

No retrospective application

Below Threshold Procurements

V little else

Above Threshold Procurements

IMPACT OF PROCUREMENT ACT (GO LIVE 28/10/24)

QUESTIONS

THANK YOU

Very sensitive (but useful) powers available for Investigations
Last resort use for significant cases

Year	Number of Times
2023/24	1
2022/23	1
2021/22	0
2020/21	1
2019/20	2
2018/19	3

Good practice to have regular awareness

Process update (NAFN)
Joint working with DWP

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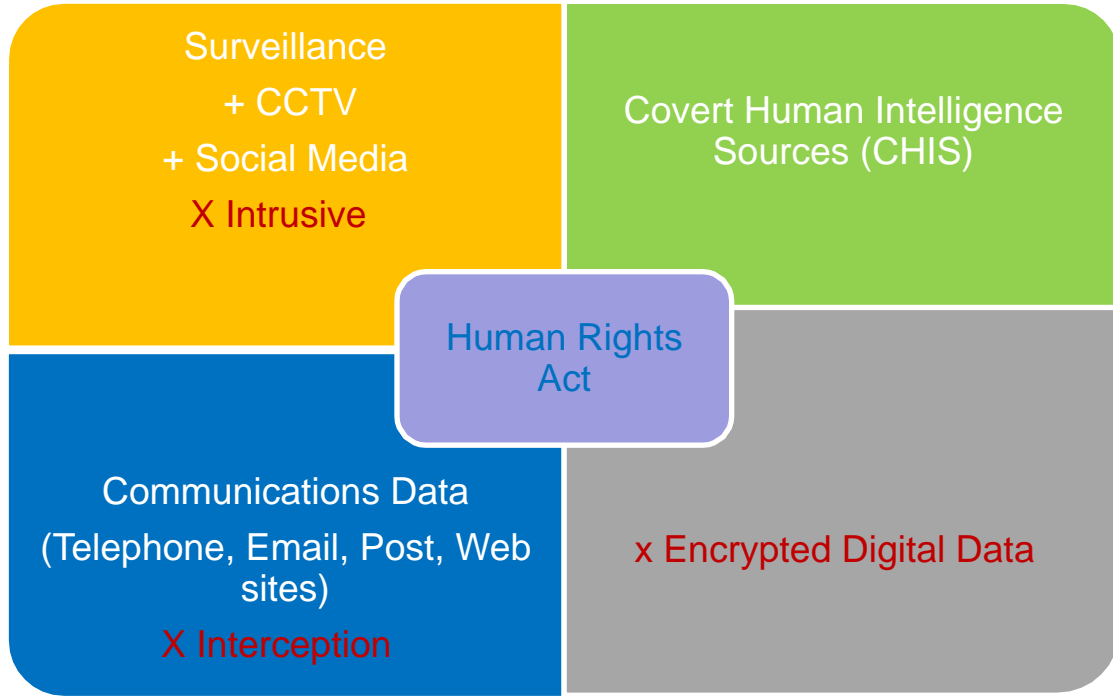
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Inspection due February 2025?

In 2022, we identified some good practices by a number of Councils. Examples include:

Fareham Borough Council had used its powers and demonstrated good levels of compliance, maintaining the finding from 2018 that its standards

IPA



Council Tax Support
Benefits (with DWP)
Housing fraud
Fly Tipping
Trading standards

CORE Functions not general i.e. services

COVERT not overt

! ' () *
! * + !
(seriousness threshold)

PLANNED - Not an immediate response

DIRECTED on a target, more than once

Applicant Completes Form



Authorising Officer** reviews the form and considers:

- Legality**
- Necessity
- Proportionality
- Collateral Intrusion



Entry on Central Register

Applicant Completes Court Form



Magistrates Approval**



Entry on Central Register

Applicant Completes Further Forms

Monthly review
Renewal after 3 months
Cancellation



Authorising Officer reviews Forms



Entry on Central Register

** Affected by Protection of Freedoms Act 2012

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2 ! -

Allowable with RIPA
Authorisation

Fly Tipping - Tracking Device on

! * * -

X not allowed as Intrusive

Environmental Health - Noise
Monitoring

X not RIPA as Overt

3 2 4 * 2
postings on Facebook

Allowable with RIPA
Authorisation

x Seen as a GENERAL function not a core
* 2 "

Recommended same principles followed if monitoring: a) Covert, b) planned, directed

FBC Directed monitoring of employees
Procedure (and form)

Impact assessment form signed by: a)
applicant b) HR c) member of SLT

Powers Available:

Entity Data (Subscriber)

WHO

6 / (

WHEN, HOW

Event Data (Traffic) -

WHERE

x Content (interception)

Process:

No Judicial Approval

Must request from NAFN

0 Approved Rank (service manager made aware)

NAFN SPOC review

NAFN forward to OCDA (Office of Communications Data Authorisation)

Seriousness Threshold:

Only applies to Events data

X Offence max sentence of 12 months

' * * " "

OR - results in substantial gain

' !! * *

OR - Breach of a persons privacy

High level Authoriser /
Designated Senior Officer
CX
ACX

Senior Responsible
Officer (RIPA & IPA)
Assistant Director
(Finance and ICT)

Authorising Officers /
Approved Rank
Financial Planning & Audit
Manager
Head of Housing
Revs and Bens Manager
Neighbourhood Manager
AD / ACX / CX

RIPA Co-Ordinator
Audit Manager

Reviewing
authoriser
comments

Applicants
Investigations Officer
(Main)
Senior Audit and Fraud
Analyst
Audit Manager

No Environmental
Health,
Community
Safety, Building
Control, Planning
enforcement

High level authorisers	2	2	7
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Surveillance confidential material - matters subject to legal privilege, confidential personal information, confidential journalistic material and communications between an MP and a constituent.

Social Media:

guidance strengthened with examples

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Communications Data:

Serious crime threshold for Event and Entity Data

Clarification of role of OCDA, NAFN and IPCO Judicial Commissioner
(journalistic sources)

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