

Overview and Scrutiny Management Committee

MINUTES OF THE OVERVIEW AND SCRUTINY MANAGEMENT COMMITTEE MEETING HELD ON 15 NOVEMBER 2022 AT THE KENNET ROOM - COUNTY HALL, TROWBRIDGE BA14 8JN.

Present:

Cllr Graham Wright (Chairman), Cllr Christopher Williams (Vice-Chairman), Cllr Ruth Hopkinson, Cllr Jon Hubbard, Cllr Tony Jackson, Cllr Johnny Kidney, Cllr Gordon King, Cllr Jerry Kunkler, Cllr Bill Parks, Cllr Tony Pickernell, Cllr Elizabeth Threlfall, Cllr Jo Trigg, Cllr Tony Trotman and Cllr Iain Wallis

Also Present:

Cllr Nick Botterill, Cllr Pip Ridout, Cllr Gavin Grant

44 **Apologies**

Apologies for absence were received from Cllr Bob Jones MBE.

45 **Minutes of the Previous Meeting**

The minutes of the meeting held on 28 September 2022 were presented for consideration, and it was;

Resolved:

To approve and sign as a true and correct record of the minutes of the meeting held on 28 September 2022.

In addition, a point of order was raised regarding the differentiation of councillors listed as being present and those in attendance as recorded in the minutes.

46 **Declarations of Interest**

There were no declarations of interest.

47 **Chairman's Announcements**

The Chairman noted that following the finance overview training provided by officers in September, a date for specific training on members' role in conducting effective and strategic financial scrutiny, had been set for Thursday 24 November. The session would be aimed particularly at members of this Committee, of the other select committees and members of the Financial Planning Task Group.

It was also stated that for any Members who had missed the finance overview training held in September and would like to catch up, a video of that session was available on the Councillors' Hub.

Additionally, as session is set to be scheduled on Scrutiny questioning skills, also to be delivered by the Centre for Governance and Scrutiny and that the date for that would be confirmed shortly.

The Chairman also welcomed Cllr Pip Ridout, Chair of the Financial Planning Task Group, back to the meeting.

48 **Public Participation**

There were no questions or statements submitted by members of the public.

The Chairman invited Perry Holmes, Director of Legal and Governance, to provide feedback on the corporate peer challenge, which had taken place the previous week. Perry Holmes thanked the councillors and chairmen who had been involved in interviews, with 180 councillors, officers and partners engaged with over 3 and a half days and over 200 hours. Regarding Overview and Scrutiny, feedback was provided that Wiltshire Council had impressive organisational governance, providing good levels of rigour. In addition, that there was a good balance between Overview and Scrutiny, with Scrutiny well resourced and Members able to feel that they could challenge. A full report would be provided in the new year which would be brought to the Committee to be considered.

49 **Finance, corporate resources and organisational scrutiny update**

The Chairman introduced a report within the Agenda Pack which provided an update on the changes to Overview and Scrutiny's approach to engaging with financial, corporate, and organisational matters. This followed on from discussions held by the Committee in May, where a number of changes were agreed with it noted that the Committee would review the arrangements in six months' time.

Democracy and Complaints Manager, Henry Powell provided an introduction to the report, which was structured around the following 6 resolutions which had been agreed in May:

1. OS Management Committee to receive the following key financial reports, after review and commentary by the Financial Planning Task Group (FPTG):
 - Draft Financial Plan
 - Medium-Term Financial Strategy
 - Revenue and capital budget monitoring
 - Treasury Management Strategy

2. Select Committees to retain their ability to query and flag any significant financial concerns relating to any proposals they consider, with concerns referred to OS Management Committee for further discussion as appropriate.

3. Proposals for greater OS engagement on other corporate and organisational matters to be developed, following discussion between the OS Management Committee Chairman, Vice-chairman, appropriate Cabinet Members and directors.

4. The Chairman and Vice-chairman of OS Management Committee to develop proposals for the Committee's scrutiny of corporate performance and risk, following discussion with the appropriate Cabinet Members, directors and Select Committee Chairmen.

5. The Financial Planning Task Group's responsibilities to be clarified by amending its terms of reference as set out under paragraph 21, with a definition of "major" contracts to be agreed following further discussion.

6. Appropriate learning and development be arranged to support members to undertake effective finance scrutiny.

An update was provided on the progress of each of the resolutions set in May 2022, which could be found within the respective report.

The following comments were received by Cllr Pip Ridout, Chair of the Financial Planning Task Group, which included but were not limited to that some contracts would include savings and that would therefore require monitoring. This would therefore be broader work than setting a limit for consideration; especially when the budget is being considered with savings targets included. Cllr Ridout stated that it would be better to approach such a transfer slowly.

The following comments were received by Members of the Committee:

- In reference to resolution 4, a point was raised that a member would not want a limit to be set when considering contracts as this could cause details to be missed out. For example, contracts for Children's Services would be financially worth less than those of Highways, however though they would cost less they would still have a significant impact to that service. It was clarified that the proposal related to the financial scrutiny of contracts rather than proposing a limit to what Select Committees would look at.
- Reassurance was provided that the proposal in relation to resolution 4 would not remove the ability of Select Committees to be involved with contracts at an early stage and that this would be down to the Select Committees and their work plans.

The following comments were received by Cllr Gavin Grant, Vice-Chair of the Financial Planning Task Group, which included but were not limited to:

- Cllr Grant joined the Chairman in the welcoming back the physical return of Cllr Pip Ridout, though she had remained to contribute significantly by virtual means.
- The proposals would be a significant change for the agendas of the Overview and Scrutiny Management Committee as well as the Select Committees.
- It was noted that with the responsibility of looking at service performance and adding in finances would be a significant piece of work and it would therefore be important that committee members were armed for such discussions.
- The Financial Planning Task Group therefore had organised a Quarter One run through to demonstrate the levels of activity likely to happen and to identify where the emphasis would lie for scrutiny to be conducted.
- It was suggested that the changes would be a major cultural shift for the Overview and Scrutiny Management Committee in comparison to the Select Committees, with a need to understand corporate finances and the objectives of corporate teams and plans.

At the conclusion of discussion, it was,

Resolved:

The Overview and Scrutiny Management Committee agreed:

1. To note the update on implementation of the changes to Overview and Scrutiny's (OS) approach to engaging with financial, corporate and organisational matters agreed in May 2022.
2. To note that all OS Management Committee members are invited to the next meeting of the Financial Planning Task Group on 25th November, where the revenue and capital budget updates will be discussed prior to the Cabinet meeting on 29th November.

50 **Management Committee Task Groups**

A report was received on the Task Groups and Panels established by the Management Committee.

Swindon and Wiltshire Local Enterprise Partnership (SWLEP) Joint Scrutiny Panel

It was noted that the Panel is in abeyance until the national picture regarding LEPs is clarified. Additionally, The LEP is currently considering the future type of scrutiny it wishes to commission, given the dramatic reduction in LEP funding being provided by Central Government.

In addition, Cllr Tony Jackson stated that he had noticed that there was a vacancy within this task group and therefore offered to join the task group if and when needed.

Evolve Programme Task Group

It was noted that the task group meets quarterly and last met on 30 September 2022, with a written update provided in the report.

In addition, Cllr Jon Hubbard provided a further verbal update that the programme had slipped to red status and now had a risk of not being delivered to the original schedule. Cllr Hubbard noted various issues that the task group had encountered including not being able to move from data migration 2 to data migration 3 as well as various licences that would expire in March and April, when the new system was due to go live. There have been elements of delays caused by both the Council and contractors, with it noted that from a Council perspective it had been difficult to undertake the work due to a national shortage of specialists as well as not having staff spare in departments for secondment. Cllr Hubbard stated that there was set to be a Programme Board meeting on Friday 18 November, with a further meeting scheduled for 2 December.

The following comments were received by Members of the Committee:

- It was questioned whether there had been an indication of how much the programme had slipped by, to which it was clarified that the workers had been open and transparent on the challenges faced. Ultimately this would impact on whether the implementation would be completed in one movement or a phased approach.
- The Section 151 Officer provided an update that questions had been asked on replanning that had taken place based on the sequential aspect from data migration. Now that the replanning phase had happened, the Programme Board would need to then receive an outcome to be reported to the task group. It was also stated that a one movement implementation might lead to cutting corners, with it not possible to shorten time for cultural, process change and training within the organisation.
- The task group would investigate any financial implications for software extensions and who would be responsible for these costs.
- It was stated by a member that the task group knew this would be ambitious when the programme started due to complexities in the work as well as making sure the implications of the work would be long term. Though there has been slippage, it was not a shock. In addition, to set an arbitrary timescale which would not allow proper function could cause a false economy in the future.
- It was questioned financially who would have to pay for the work if it was to run over budget. The Section 151 Officer stated that he had taken a decision not to hardcode the work into the MTFS due to concerns of the timescales, therefore meaning that the Council would not be hit. However, there would potentially be a cost factor in the replanning.
- Reference was made to the SAP implementation of 2009, with it stated that very few major projects finish under their proposed budgets. The

SAP implementation of 2009 was further referenced, with it voiced that last minute corner cutting led to the system being difficult to upgrade in the long run. It would therefore be beneficial for the project to be implemented correctly rather than to make false savings having to make corrections long-term.

The Chairman thanked the Task Group for the work that they had conducted.

Financial Planning Task Group

The Chairman updated that the task group had not met since the last Overview and Scrutiny Management Committee meeting in September, but were set to meet again on Friday 25 November, with all Members of the Committee welcome to attend. Additionally, that the Chairman and Vice-Chairman of the task group had scheduled meetings with the Chairman and Vice-Chairman of the select committees to discuss relevant parts of the council's Q1 revenue and capital reports. These would be used to identify potential areas for financial scrutiny of services in the coming months. It was also noted that Cllr George Jeans had stepped down from the task group, with it requested that Cllr Mark Verbinnen be appointed in place.

At the conclusion of discussion, it was,

Resolved:

The Overview and Scrutiny Management Committee agreed:

1. **To note the update on activity provided;**
2. **To remove Cllr George Jeans from the membership of the Financial Planning Task Group and to thank him for his contribution to the Task Group's work;**
3. **To add Cllr Mark Verbinnen to the membership of the Financial Planning Task Group.**

51 **Socially Responsible Procurement Policy**

The Chairman invited the Section 151 Officer to introduce the presentation. The Section 151 Officer outlined that this policy would be a single coherent framework that would look to draw together legislative requirements, policy initiatives and aspirations. The policy would be delivered by a Social Responsibility Toolkit, which would support both suppliers and commissioners to maximise the way that they deliver through procurement activity. Furthermore, there could be the potential to place certain instructions into the toolkit as expectations as a minimum for contracts to provide.

The Section 151 Officer then handed over to Senior Procurement Specialist, Luana O'Neill, who outlined the following priorities which had been identified by the Council that would represent its values and beliefs:

- A Wiltshire first approach
- Local Training and employment
- Partners in the community
- Green Economy and Stable Environment
- Ethical Procurement and Well-being focus

The Senior Procurement Specialist outlined how the five priorities would link to the Wiltshire Council Business plan as well as how the procurement function would apply this link practically. Furthermore, detail was provided for each of the five priorities on how they would be delivered and what the Council would want to achieve from the successful delivery of each priority. Examples of the anticipated qualitative benefits from the adoption of the policy were outlined, including but not limited to, the reduction in carbon footprint and young people in foster care, the increase of cash savings and uptake of trades and careers.

The Section 151 Officer then provided an overview of the governance and reporting of the policy, with it stated that the Commercial Board would oversee the delivery of the policy and that the Cabinet Member who acts as the Council's Social Value Champion would be a representative of Social Value within the Board. Once the policy was approved and the toolkits had been set up, there would be an aspect of contractors submitting regular monitoring reports to be assessed against indicators and metrics on the social value of procurement. The Commercial Board would review the Social Value register on a regular basis to provide challenge and scrutiny to contractor's performance where necessary.

The following comments were then received from Cllr Nick Botterill, Cabinet Member for Development Control, Strategic Planning, Finance, Procurement and Commissioning, who suggested that initially he had some concerns regarding additional costs and whether there would be a bureaucracy process. Furthermore, whether the policy would lead to box-ticking rather than a meaningful impact and whether it would lead to the range of suppliers being reduced. However, Cllr Botterill had since been assured that such concerns would not be the case and that he had been persuaded that this would be a reasonable approach with benefits.

The Chairman sought clarification from the Section 151 Officer, that such concerns would not come to pass, to which it was clarified in relation to bureaucracy and tick-boxes that there would not be an increase in size of the procurement and commissioning team, nor had there been a request for an increase in resources. Regarding costs, there could be an uplift in the cost of contracts, but that would be down to the Council. The Officer noted that some of the concerns would be predicated on the application of the toolkits through a cost and quality ratio. The Section 151 Officer noted that rather than being involved in every procurement, it could be a case of examining the bigger ones and then allocating the others to budget managers.

The following comments were received by Members of the Committee:

- It was stated that the balance of the award criteria would become important as if the Council was not planning to make changes to the award criteria it could be questioned if there was any benefit.
- It was voiced that it was positive to see such a policy on the table following previous enquiries as to whether the resources provided in contracts could be used for benefit, such as training young people in apprenticeships.
- It was suggested that there was no information within the policy to specifically outline benefits, timescales, requirements, how the council would buy better or how the potential impact would be measured. It was stated by the Section 151 Officer that the toolkits would provide metrics and how the policy would be applied, with it up to the individual service department to set the level of metrics they would like within a contract. Once the toolkits have been produced then metrics could be provided to the Committee.
- It was questioned where there was a metric to measure social value.
- Concern was raised that the policy might limit the choice of who the Council could outsource to if the policy was over-prescriptive.

At the conclusion of discussion, it was,

Resolved:

The Overview and Scrutiny Management Committee agreed:

- 1. To welcome the proposed introduction of a Socially Responsible Procurement Policy in the council's procurement processes, which will be determined by Cabinet on 29th November 2022, along with the associated Toolkit, Delivery Plan and a social value impact reporting system.**
- 2. To ask the Chair and Vice-Chair to investigate further how the impacts of the Socially Responsible Procurement Policy will be measured, evaluated and made available for Scrutiny discussion.**
- 3. To agree that further Scrutiny input will take place on the Socially Responsible Procurement Toolkits in 2023.**

52 **Forward Work Programme**

The Committee considered the forward work programmes for each select Committee, as well as updates from the Chairman for each Select Committee.

At the conclusion of discussion, it was,

Resolved:

The Overview and Scrutiny Management Committee agreed:

- 1. To note the updates on select committee activity and approve the Overview and Scrutiny Forward Work Programme.**

53 **Date of Next Meeting**

The date of the next meeting was confirmed as 24 January 2022.

54 **Urgent Items**

There were no urgent items.

(Duration of meeting: 10.30 am - 12.15 pm)

The Officer who has produced these minutes is Ben Fielding of Democratic Services, direct line 01225 718656, e-mail benjamin.fielding@wiltshire.gov.uk
Press enquiries to Communications, direct line (01225) 713114 or email communications@wiltshire.gov.uk