



Report of the Director of Environment and Neighbourhoods

Executive Board

Date: 22nd June 2010

Subject: Response to Scrutiny Board Statement Regarding Housing Contracts

Electoral Wards Affected:

Ward Members consulted
(referred to in report)

Specific Implications For:

Equality and Diversity

Community Cohesion

Narrowing the Gap

Eligible for Call In

Not Eligible for Call In

(Details contained in the report)

EXECUTIVE SUMMARY

1. This report provides the Executive Board with details of the recommendations from the recent Environment and Neighbourhoods Scrutiny Board inquiry in to the Procurement of Housing Contracts and details how the Director proposes to respond to these recommendations. The report asks the Board to approve the proposed response.

RECOMMENDATIONS

2. Executive Board are recommended to:

Approve the proposed recommendations to the Scrutiny Board's recommendations.

1. **Purpose of this report**

- 1.1 This report provides the Executive Board with details of the recommendations from the recent Environment and Neighbourhoods Scrutiny Board inquiry in to the Procurement of Housing Contracts and details how the Director proposes to respond to these recommendations. The report asks the Board to approve the proposed response.

2. Background Information

- 2.1 In June 2009 a call in meeting of the Environment and Neighbourhoods Scrutiny Board was held. This was to consider an Officer Delegated Decision relating to a request to enter into a framework contract for the supply and management of temporary accommodation. Consideration of this decision led the Scrutiny Board to conduct a wider review into the processes followed by Environment and Neighbourhoods when procuring contracts in housing services. In July 2009, the Scrutiny Board agreed to establish a working group to consider evidence as part of this review.
- 2.2 The report makes five recommendations for action. The recommendations concern the working practices of the Environment and Neighbourhoods directorate and those of the Corporate Procurement Unit. These recommendations are accepted by the Director of Environment and Neighbourhoods and actions are underway or have been completed to address them.

3. Main issues

- 3.1 Below, each of the Scrutiny Boards five recommendations are listed along with a response from the relevant director.

3.2 Recommendation One:

That the Director of Environment and Neighbourhoods leads on the development of a robust inspection programme as part of the Council-wide contract for the provision of temporary accommodation to ensure that all properties are checked for suitability prior to any placements being made. Where this is not possible due to unforeseen emergency situations, then to ensure that an inspection is undertaken within 48 hours or on the next working day.

The Director of Environment and Neighbourhoods has established a programme of inspections as detailed above. Additionally this requirement is build into the service specification of the proposed new framework contract which is currently subject to a tender exercise.

3.3 Recommendation Two:

That the Chief Procurement Officer leads on developing a robust internal data sharing system/protocol to complement the Pre-Qualification Questionnaire process as part of any procurement exercise.

That an updated report is brought back to Scrutiny by October 2010.

The Chief Procurement Officer agrees with this recommendation and in developing the data sharing and robust protocol will consider all potential areas of service within the Council. The data sharing and protocol will relate mainly to the company concerned but the Chief Procurement Officer will also look at how this can be applied to Directors of companies. This work will be completed by end December 2010 and an update report will be produced in September 2010.

3.4 Recommendation Three:

That the lessons learned from the Supporting People contract management arrangements are disseminated more widely across the Council and for the Director

of Environment and Neighbourhoods and the Chief Procurement Officer to lead on championing such arrangements as a best practice model.

The Director of Environment and Neighbourhoods and the Chief Procurement Officer agrees with this recommendation. The findings of the Central and Corporate Scrutiny Board in 2008/9 and the findings of this current scrutiny report regarding contract management are being acted on and case studies are being prepared. A case study championing the Supporting People contract management will be publicised in June 2010 and further case studies will follow. The Chief Procurement Officer has made this work a priority in his service plan and all contracts will have a contract management plan by 1st April 2011.

3.5 Recommendation Four:

That, as part of the ALITO system used by the Procurement Unit, all contract managers are prompted to conduct a review of the contract at least 12 months before the contract expiry date.

- 3.5 The Chief Procurement Officer agrees with this recommendation where contracts exceed 18 months in length. This is good practice which needs to be part of the overall contract management process. The prompt will be put in place from June 2010.

3.6 Recommendation Five:

That the Council's Monitoring Officer and Chief Officer of Human Resources explore ways in which the requirement for Members and officers to formally register and declare any interest/relationships of a business or private nature with external contractors or potential contractors can be made more transparent as part of any contract review process.

That an update report is brought back to Scrutiny within 3 months.

The Council's Monitoring Officer and Chief Officer Human Resources agree with this recommendation and will review the delegated decision notification form. Footnote 6 on the form will be revised to make clear the circumstances under which an officer and/or member must declare an interest and an entry on the form will be mandatory rather than optional.

4. Implications for Council Policy and Governance

- 4.1 There are no specific implications for Council Policy and Governance.

5. Legal and Resource Implications

There are no specific legal or resource implications.

6. Conclusions

- 6.1 The Environment and Neighbourhoods Scrutiny Board's inquiry into issues around the procurement of temporary accommodation has identified some important issues for both housing services and Corporate Procurement Unit. The standard of temporary accommodation used by vulnerable people has improved over the past 12 months and the recommendations contained in this report will further improve the standard of accommodation and the procurement of other services within the Directorate.

7. Recommendations

7.1 Executive Board are recommended to:

Approve the proposed responses to the Scrutiny Board's recommendations.

8. Background papers

8.1 There are no specific background papers to this report.