

Public Document Pack

**MINUTES OF A MEETING OF THE
OVERVIEW & SCRUTINY BOARD
Havering Town Hall, Main Road, Romford
3 August 2021 (7.30 - 9.00 pm)**

Present:

COUNCILLORS

| | |
|---|---|
| Conservative Group | Ray Best, John Crowder, Philippa Crowder, Nisha Patel, Christine Smith, Maggie Themistocli and Michael White (Vice-Chair) |
| Residents' Group | Ray Morgon and Barry Mugglestone |
| Upminster & Cranham Residents' Group' | Linda Hawthorn and Christopher Wilkins |
| Independent Residents' Group | Natasha Summers and Graham Williamson |
| Labour Group North Havering Residents' Group | Darren Wise (Chairman) |

Also present via videoconference:

Councillor Gillian Ford
Barry Francis, Director of Neighbourhoods
Jacki Ager, Waste and External Contracts Manager
Mel Gadd, Highways Service Unit Manager
Amandeep Wiechers, Deputy Head of Procurement

The Chairman reminded Members of the action to be taken in an emergency.

10 APOLOGIES FOR ABSENCE AND ANNOUNCEMENT OF SUBSTITUTE MEMBERS

Apologies were received from Councillor Judith Holt, Councillor John Crowder substituting.

11 DISCLOSURE OF INTERESTS

There were no disclosures of interest.

12 EXCLUSION OF THE PUBLIC

The report included in agenda item 5 contained exempt documents, namely appendices 1 to 4 inclusive and the second part of the response to the

requisition grounds. The Board resolved that press and public be excluded from the discussion of these items at the meeting on the grounds that it was likely that, in view of the nature of the business to be transacted or the nature of the proceedings, if members of the public were present during that item, there would be disclosure to them of exempt information within the meaning of paragraph 3 of Schedule 12A to the Local Government Act 1972.

13 REQUISITION OF A CABINET DECISION - PUBLIC REALM TRANSFORMATION - NEW OPERATING MODEL

A requisition had been received of the recent Cabinet decision on Public Realm Transformation – New Operating Model. This had been signed by the required six Members representing at least two different groups (Councillors Ford, Hawthorn Morgon, Mugglestone, Wilkins and Williamson).

Councillor Dervish advised the Board that it was important to ensure that the procurement process for public realm transformation was attractive to the market. The supplier market had recovered following the pandemic and it was therefore the right time to restart the procurement. It was thought best to combine waste collection with street cleansing in the contract and hence seek a joined up approach from the contractor.

The establishment of a Local Authority Company was not considered viable. New governance arrangements would be required and the requisite skill set was not available internally. There would also not be the opportunity to learn from the contractor and the financial risk would remain with the Council. The proposed two-stage competitive dialogue procurement would offer greater flexibility.

The Council would monitor performance but would also expect the contractor to monitor its own performance. Contract officers would monitor performance on the ground and Key Performance Indicators for the contract would also be monitored. Data was also collected on the numbers of streets swept etc. The Director of Neighbourhoods added that performance was a fundamental part of the contract and would be discussed with contract bidders. It was accepted that performance under the existing contract was not where it should be and the national shortage of HGV drivers had compounded this as had the greater amounts of waste created at home during the pandemic. This did not however have any bearing on the procurement of the new contract. Issues around rectification of missed collections would be negotiated as part of the competitive dialogue process with bidders.

It was confirmed that street cleansing and waste collection would be combined within the new contract. Grass cutting services would not be included. Work was in progress with consultants to design the contract specification. This would use best practice and national standards. Targets would be included around areas such as missed collections.

Offices reiterated that a Local Authority company approach would mean no flexibility in resources. Nearby Councils who used this approach had been forced to suspend some services during the pandemic.

It was clarified that there was no London Councils Contract Framework for domestic waste. This could be discussed further with Members outside the meeting. The contract being procured would be a complex document, bespoke to Havering. The contract would include social value issues such as sustainability and community benefits. Government guidance on social value would be followed.

The new contract would aim to ensure that waste collections were completed on time and in a tidy manner as well as ensuring streets were kept to the required state. Technology would be used to ensure efficient responses to issues such as flytipping and graffiti. The forthcoming Environment Bill would require more recycling of food waste etc and this would be reflected in the new contract as would issues to mitigate the impact of climate change.

Officers were regularly updating the Lead Member on progress with the procurement as well as bringing updates to Cabinet at Themed Board. A further Cabinet decision would be needed to award the final contract.

Flytipping removal was included in the new contract as was the large items collection service that the Council currently provided. There was no requirement to publicly consult on the contract but consultation undertaken by the East London Waste Authority could be used. Price would be evaluated separately to quality in the contract bids with each having a 50:50 rating. The contract would cover the areas of waste, recycling, street cleansing, weeds and trunk roads. Parks development and gate locking were not included.

Standards of street cleaning would be set out in the contract. A baseline would be established via work with organisations such as Keep Britain Tidy. There were no plans to remove financial penalties from the contract but other methods of performance management would also be used. Contract management was discussed at Cabinet and staff had been recruited with experience of this area. IT issues would also be included within the competitive dialogue process. Performance would be monitored by 2 monitoring officers and 3-4 supervisors as well as a team undertaking data analysis.

Officers clarified that there was not an unskilled workforce but that there was felt to be a lack of expertise in issues involved in setting up a company such as risk assessments, HR etc. The establishment of any such company would have required extra funding from the Council. A Direct Services Organisation would also incur costs to the Council in areas such as pensions and terms & conditions.

Overview & Scrutiny Board, 3 August 2021

The requisition was **NOT UPHELD** by the Overview and Scrutiny Board by 8 votes to 6. Councillors Best, P Crowder, J Crowder, Patel, Smith, Themistocli, White and Wise voted against upholding the requisition. Councillors Hawthorn, Morgon, Mugglestone, Summers, Wilkins and Williamson voted in favour of upholding the requisition.

Chairman