



**POLICY AND RESOURCES SCRUTINY COMMITTEE**

**10.00 am THURSDAY, 19 MAY 2016**

**COMMITTEE ROOMS 1/2 - PORT TALBOT CIVIC CENTRE**

**PART 1**

1. To receive any declarations of interest from Members
2. To receive the Minutes of the Policy and Resources Scrutiny Committee held on 31st March 2016 (*Pages 5 - 16*)

**To scrutinise information and monitoring issues being reported by:**

**Report of the Head of Corporate Strategy and Democratic Services**

3. An evaluation of the quality of service report cards and the use of service report cards within the scrutiny process (*Pages 17 - 24*)

**Report of the Chairperson of the Policy and Resources Scrutiny Committee**

4. Response from the National Procurement Service (*Pages 25 - 36*)
5. To select appropriate items from the Cabinet Board Agenda for pre-scrutiny (Cabinet Board reports enclosed for Scrutiny Members)
6. Any urgent items (whether public or exempt) at the discretion of the Chairman pursuant to Section 100B (4) (b) of the Local Government Act 1972

7. Access to Meetings to resolve to exclude the public for the following item(s) pursuant to Section 100A(4) and (5) of the Local Government Act 1972 and the relevant exempt paragraphs of Part 4 of Schedule 12A to the above Act

## **PART 2**

8. To select appropriate private items from the Cabinet Board Agenda for pre-scrutiny (Cabinet Board Reports enclosed for Scrutiny Members)

**S.Phillips**  
**Chief Executive**

**Civic Centre**  
**Port Talbot**

**Friday, 13 May 2016**

### **Committee Membership:**

**Chairperson: Councillor D.W.Davies**

**Vice  
Chairperson: Councillor A.Jenkins**

**Councillors:** Mrs P.Bebell, A.Carter, Ms.C.Clement-Williams,  
M.Harvey, Mrs.L.H.James, A.Llewelyn,  
A.R.Lockyer, Mrs.K.Pearson, L.M.Purcell,  
A.J.Siddley, J.Warman, I.D.Williams,  
Mrs.A.Wingrave and Mrs.D.Jones

### **Notes:**

- (1) *If Committee Members or non-Committee Members wish to have relevant items put on the agenda for future meetings, then please notify the Chief Executive/Chair eight days before the meeting.*
- (2) *If non-Committee Members wish to attend for an item of interest, then prior notification needs to be given (by 12.00 noon on the day before*

*the meeting). Non-Committee Members may speak but not vote, or move or second any motion.*

- (3) For pre scrutiny arrangements, the Chair will normally recommend forthcoming executive items for discussion/challenge. It is also open to Committee Members to request items to be raised - though Members are asked to be selective here in regard to important issues.*
- (4) The relevant Cabinet Board Members will also be invited to be present at the meeting for Scrutiny/ Consultation purposes.*
- (5) Would the Scrutiny Committee Members please bring the Cabinet Board papers with them to the meeting.*

This page is intentionally left blank

## POLICY AND RESOURCES SCRUTINY COMMITTEE

(Committee Rooms 1/2 - Port Talbot Civic Centre)

**Members Present:**

**31 March 2016**

**Chairperson:** Councillor D.W.Davies

**Vice Chairperson:** Councillor A.Jenkins

**Councillors:** A.Carter, M.Harvey, A.Llewelyn,  
Mrs.K.Pearson, L.M.Purcell, I.D.Williams and  
Mrs.A.Wingrave

**Officers In Attendance** S.John, D.Rees, D.Michael, Mrs.J.Banfield,  
N.Chapple and Ms.C.Gadd

**Cabinet Invitees:** Councillors P.A.Rees and A.N.Woolcock

---

1. **MINUTES OF THE POLICY AND RESOURCES SCRUTINY COMMITTEE HELD ON 18 FEBRUARY 2016**

The Minutes were noted by the Committee.

2. **JUDICIAL REVIEW UPDATE**

The Committee received the report providing them with a briefing on current general Judicial Review cases in the Local Government Sector, as detailed within the circulated report.

The Committee had requested this information and in particular local and popular Judicial Review issues. It was explained that Judicial Review considers the procedure adopted in decision making rather than the decisions themselves. It was highlighted that part of the decision making process included consultation, and due to budget pressures and streamlining of services, this formed a large aspect of the work of Local Authorities. It was noted that courts differ in their rulings regarding how consultations should be undertaken and whether they should be on the preferred option or whether alternative options should also be included. It was highlighted that Equality Impact Assessments were important and it had to be apparent that

Members had considered them. Members highlighted that some times reports stated that Equality Impact Assessments were not required but did not state the reasons why and it was queried if this information should be requested. Officers explained that if Members had concerns then it was acceptable to request this information.

It was highlighted that Neath Port Talbot Council had been largely successful in Judicial Review action. Members commented that there had been a case regarding a school in Neath Port Talbot and asked what the cost of the case had been to the Council. Officers informed them that they would check the exact costs and it was roughly £40k. In addition, the process was extremely time consuming and involved a lot of officer resources. Officers highlighted that as there were more cases being brought than before in Wales the High Court now tended to meet in Cardiff as well as London. Members asked if there was the right to appeal a decision and it was confirmed that decisions could go to the Court of Appeal or the Supreme Court. Members asked how many Judicial Review cases there had been for the Council in the last financial year and it was explained that there had been two that had amalgamated into one. It was highlighted that Legal Services spend a significant amount of time providing legal advice for committee reports and recommendations in an attempt to prevent future cases.

Members noted that in one of the examples it stated that the Court had ruled that officers had reached a decision rather than the Council in question. It was explained that an adequate reason had to be provided for a decision and there had been a lack of clear reasoning in this case.

Following scrutiny, it was agreed that the report be noted.

### 3. **LEGAL SERVICES REPORT CARD 2015/2016**

The Committee received the Legal Services Report Card for 2015/16, as detailed within the circulated report.

Members were informed that there were three legal teams, which were Property, Litigation and Childcare. Currently they were all included under one report card, however, in future they could be separate business plans and report cards. It was explained that the provision of legal advice and services was effectively determined by the work received from internal clients on a daily basis. There were several factors identified as having an impact on service planning and

provision, such as changes to legislation, pressure on service delivery and increased likelihood of Judicial Review and the transformation of services. The Service could plan some elements of its work but it was limited as activities were mainly determined by demand and planned activities were subject to change.

Members highlighted that the report card did not state what had not been achieved. Officers explained that there were some items in the original business plan that had not been undertaken. This included completing some tendering exercises, as they were either still ongoing or discontinued and it was up to the services that were carrying them out how they wished to progress with them. Officers noted that a lot of advice for Social Services was new and related to contracts and co-operation with other organisations, for example, the setup of Western Bay Programme on a legal basis and would take up a significant amount of time. In addition the ongoing economic regeneration and redevelopment also involved a significant amount of legal work. Members queried if individual services paid for the legal work and advice they received and it was clarified that this was not the case and the costs had to be absorbed by Legal Services. It was noted that when the Council undertook more shared working and outsourcing then there were further implications, such as contractual issues, rather than just employing someone to do a job.

Members highlighted that the recent decision affecting the steel industry in the County Borough would also have an impact on economic development.

Members noted that a large number of leases had been completed in favour of sports clubs, community councils and groups operating local libraries and facilities and it was queried if there were any guidelines available to assist groups who were interested in doing this. Officers explained that it was a period of learning for both the Council and local groups and there were no set guidelines. It was suggested that the Council for Voluntary Service would be a useful organisation for local groups to contact for advice. In addition it was explained that the Economic and Community Regeneration Scrutiny Committee had considered a lot of the transfers and the Operations Co-ordinator in Education, Leisure and Lifelong Learning Services would be a useful contact.

Officers highlighted that Legal Services had achieved its Forward Financial Plan savings and were due to deliver a projected underspend. However, performance against the Forward Financial

Plan would be more difficult in the forthcoming financial years and this could have an impact on staff and consideration would have to be given to early retirement and voluntary redundancy options. The largest of the three legal teams was childcare, which reflected the fact that the Council still had a high percentage of looked after children. It was noted that the number of cases had started to reduce and the nature of the work had changed and there was more pre-proceeding work.

It was noted that staff sickness absence for the Service had increased this year and they had all been managed in line with Council's policies. Members were informed that one member of staff had retired due to health issues and there had been one death in service.

Members noted that they wanted to ensure that they had enough information to understand if a service was struggling and sometimes it was hard to gauge this through what was included in report cards. Officers recognised this issue and informed Members that Legal Services did have significant pressures and depending on the future of reorganisation of Councils Legal Services would need to be rebuilt to meet future demand.

Following scrutiny, it was agreed that the report be noted.

#### 4. **LICENSING DEPARTMENT REPORT CARD 2015/2016**

The Committee received the report card for the Licensing Section, as detailed within the circulated report.

Members were informed that an annual report was presented to the Registration and Licensing Committee that provided details on the number of licenses granted and refused and details of enforcement action and the report card did not duplicate this information. It was explained that the Licensing Section was responsible for ensuring that the Council fulfils its statutory duty in respect of the administration and enforcement of licensing functions. Members were provided with a list of the wide variety of licences that were regulated by the team and it was noted that hairdressers had been missed off the list.

Officers explained that there had been five key priority areas that they wanted to achieve during 2015 – 2016 and provided Members with



an update on progress. The first two priorities were reviewing Licensing Act Policy and Gambling Statements in accordance with statutory timescales had been completed and was approved by Council in November 2015. The third priority was to implement taxi driver training in relation to safeguarding issues. It was highlighted that taxi drivers were often the eyes and ears of a community and were ideally placed to be able to recognise and report issues relating to safeguarding. It was noted that the Children, Young People and Education Scrutiny Committee had been supportive of this priority, particularly in preventing child sexual exploitation. There had been some delays in progressing this work and it was hoped that the training would begin in the summer. Initially it would be funded through Swansea Community Safety. Members asked if taxi drivers had Disclosure and Barring Service (DBS) checks and it was confirmed that all taxi drivers were required to have the enhanced DBS checks every 3 years.

Priority four, to implement a risk based inspection system for licence fees to ensure the Council recovers the cost of the Licensing Service from those who derive benefit from it, had been completed. It was highlighted that the service was self-funded, but it was not allowed to make a profit from licensing fees. Priority five had been to implement a risk based inspection system for licences issued under the Licensing Act 2003 to ensure resources were appropriately allocated to those premises that offer the greatest risk. It was explained that the previous approach had been more reactive and this system aimed to be more proactive. The Section aimed to undertake a third of inspections per year for a three year period. However, the inspection figures were currently some way off the levels the team wanted to achieve this year. This had been partly due to staff absence and volume of work; the team were hoping to meet next year's figures. Members queried how far off the inspection figures were from target and officers clarified that 89 inspections had been completed out of 159.

Officers highlighted that sickness absence in the team was relatively low and there had been one member of staff on long term sickness absence and one had been on secondment. Employee Development Reviews had not yet been undertaken and were scheduled to take place the following week and would include setting out training objectives for the year.

Members asked if the representatives on the street that try to gain custom for a product or service, for example accident claims, required

a licence. Officers explained that they did not need a licence, however, if they erect an A-board then permission was needed from the landowner. It was highlighted accident claims companies required a licence from the Ministry of Justice and part of the conditions was that they were not allowed to approach people on the street and could be reported if they did. It was commented that by-laws could be introduced to tackle such issues. Members noted that the Head of Planning was looking at developing a policy document around such issues for town centres in Neath Port Talbot.

Following scrutiny, it was agreed that the report be noted.

## 5. **PRE-SCRUTINY**

The Committee scrutinised the following matters:

### Cabinet Board Proposals

#### (i) Blue Badge Scheme Update

The Committee received the report about improvements the Customer Service Team had made regarding the Blue Badge re-application process in Neath Port Talbot, as detailed within the circulated report.

Members were provided with a summary of how the Team had improved the customer experience in relation to reapplying for blue badges by reducing duplication and the appropriate and intelligent sharing of data. It was identified that there was potential for more joined up working and data sharing across the Council and with other organisations. This approach had also been fed back to the Welsh Government as it had the potential to be replicated across all local authorities.

Members noted that the process could be improved if the Council's Customer Service staff could view the Department of Work and Pensions (DWP) database to verify benefit entitlement, within strict guidelines. It was further explained that the process only allows the system to be separately queried one applicant at a time. Members felt that this issue should be raised at a higher level and suggested that it should be an item for discussion at the Local Service Board or the new Public Service Board.

Members highlighted examples of members of the public attending reception and having to bring in their existing badges with their renewal letter and being booked by parking services for parking in a disabled space. It was suggested that a slip could be included with the renewal letter to put on the dashboard to explain why the badge was missing which would improve the process further. Officers explained that there was no need to bring in the existing badge when renewing and the old badge had to be returned only once the new badge had been received by the customer. It was not part of the reapplication process and staff would be reminded of this.

Members noted that there had been innovative suggestions put forward by the Service and queried if similar processes could be used for the proposed new short term blue badge scheme. Officers explained that the short term blue badge scheme had not yet been implemented and the Service had contributed to the consultation. Only an overview of the consultation responses had been published, which highlighted some aspects but had not included all points made by the Council. It was noted that Members had been emailed this information. It was highlighted that this scheme would take some time to be implemented and would require legislation changes. Officers explained that the new process would not be suitable for the initial short term blue badge but it would be if the badges needed to be extended. It was highlighted that the short term scheme would result in an increase in administration costs and Councils received no additional funding for administering blue badges.

Following scrutiny, it was agreed that the report be noted.

(ii) Welsh Language Standards 2016-2017

The Committee received the report to rescind the Council's Welsh Language Scheme and approve the Neath Port Talbot County Borough Council Welsh Language Standards 2016-2017, as detailed within the circulated report.

Members were informed that under the Welsh language standards that had been applied to the Council there was a requirement to publish a document to identify those standards with which the Council must comply, along with other

administrative requirements. It was highlighted that the standards superseded the Welsh Language Scheme.

It was highlighted that the Council had submitted challenge to the Welsh Language Commissioner in relation to 55 of the standards. Fifty four of those challenged the Commissioner had considered valid and the outcome was still awaited. The remaining standards were considered achievable as they mirrored or were very similar to the commitments in the Welsh Language Scheme. Members asked which of the 55 standards that had been challenged and had not received exemption. Officers informed them that it had been standard 47 – If you produce a document for public use, and no other standard has required you to produce the document in Welsh, you must produce it in Welsh. Members noted that other Council's had challenged fewer of the standards and it was recognised that it would vary for each Council according to resources and technology.

Members noted that standard 84 – if you offer an education course that is open to the public, you must offer it in Welsh - had been challenged and highlighted Neath Port Talbot was the only Council to challenge this standard. It was asked what the reason was and would the Council work towards it afterwards. It was agreed that the relevant officers, who were not available for this meeting, would circulate an answer to this question outside of the meeting.

It was recognised that by adopting the standards it would encourage members of the public to use Welsh. Members raised concerns that the current Welsh Language Line was not always answered by a Welsh speaker. The initial greeting was in Welsh but it was not always transferred to a Welsh speaker. Officers informed Members that this issue had been addressed in readiness for the implementation of the standards. It was explained that there was no longer a separate Welsh language line and there was one main contact number of the Council. The first greeting would be in Welsh followed by an English greeting and the caller would then select whether they wished to continue in Welsh or English via a touch button system. If the caller selected Welsh then they would be held in a queue to speak to the next available Welsh speakers. Reassurances were given that if a call was urgent and a Welsh speaker was not available they would have the option to jump out of the

queue and speak to an advisor in English. It was noted that there may be an occasional day when there would be no Welsh speaking staff available.

In relation to some of the standards around service delivery Members recognised that there limited number of Welsh speaking employees and asked if there would be excessive demands made on them. Officers highlighted that the employee directory had been amended to identify Welsh speakers and their capabilities. Also it had to be ensured that Members of staff who were prepared to deal with queries in Welsh were not identifiable by direct line numbers, as this would have an impact on monitoring demand and recording volume of calls. It was noted that if it became evident that there were excessive demands on the Welsh speakers then there may be a need to invest in employing more Welsh speakers.

Members requested assurances that the regular review of standards would be undertaken by this Committee. It was confirmed that Democratic Services would work with Corporate Strategy to ensure that this information was included on the forward work programmes.

Following scrutiny, the Committee was supportive of the proposals to be considered by the Cabinet Board.

(iii) Urgency Action Re: Welsh Language Measure (Wales) Standards

The Committee commented that the urgency action should have been reported in a timelier manner and the level of detail was not required as it was out of date. Officers took these comments on board and they would be fed back to the relevant department.

(iv) Universal Credit – Customer Support

The Committee received the report on the service level agreement for the funding received from the Department of Work and Pensions for the provision of support to Universal Credit claimants for 2016/17, as detailed within the circulated report.

Members queried who the partner organisations were and why it was required to go outside the Council to deliver this work. Officers clarified that the partner organisations were Registered Social Landlords and Credit Unions. It was explained that the organisations currently provided this advice and it was an extension to work they already undertook. The proposals would result in a better service.

Following scrutiny, the Committee was supportive of the proposals to be considered by the Cabinet Board.

## 6. **ACCESS TO MEETINGS**

**Resolved:** that pursuant to Section 100A(4) and (5) of the Local Government Act 1972, the public be excluded for the following items of business which involved the likely disclosure of exempt information as defined in paragraph 12 and 14 of Part 4 of Schedule 12A to the above Act.

## 7. **PRE-SCRUTINY**

The Committee scrutinised the following matters:

### Cabinet Board proposals

#### (i) Food Procurement

The Committee received the report on the supply of groceries, provisions and frozen foods, as detailed within the circulated report.

Members queried if the suppliers were companies the Council already used. It was confirmed that this was the case and that the companies had been ranked the top two suppliers under the Welsh Purchasing Framework. It was noted that National Procurement Service (NPS) Framework award was still being awaited. The Committee had written to NPS requesting further information and the response would be reported back to the Committee once it had been received.

Following scrutiny, the Committee was supportive of the proposals to be considered by the Cabinet Board.

## **CHAIRPERSON**

This page is intentionally left blank



## NEATH PORT TALBOT COUNTY BOROUGH COUNCIL

### Policy and Resources Scrutiny Committee

19<sup>th</sup> May 2016

### REPORT OF THE HEAD OF CORPORATE STRATEGY AND DEMOCRATIC SERVICES

MRS K. JONES

#### Matter for Information

**Wards Affected:** ALL

**An evaluation of the quality of service report cards and the use of service report cards within the scrutiny process**

#### Purpose of the Report

1. To present to Members the findings of the above review.

#### Executive Summary

2. To evaluate the quality and effectiveness of service report cards, the Corporate Strategy Team has undertaken a review of 30 service report cards that were reported to Scrutiny Committees during 2015/2016 (1<sup>st</sup> April 2015 - 10th December 2015).
3. Some of the key issues identified included:
  - A great deal of progress has been made with 48% of services (43 of 89) presenting their service report cards to relevant scrutiny committees during 2015/2016;
  - 67% of service report cards were not up to date at the time of reporting and many did not include information within the four specified quadrants which when included provide an holistic view of service performance (Service Performance, Financial information, Employee and Customer information);

- 33% (10 out of 30) of service report cards included all required corporate measures;
- 47% (14 out of 30) of services used the suggested corporate format when reporting their service report card;
- 23% (7 out of 30) of service report cards made a clear connection between priorities, actions and measures. Although 57% (17) of service report cards made some links. 20% (6) did not have a clear connection between priorities, actions and measures;
- 37 % ( 11 out of 30) of service report cards provided an adequate account of progress against service priorities;
- The findings of this internal review, the proposal for improvement made by the Wales Audit Office and feedback from Scrutiny Members has informed the development of new guidance for 2016-2017, which will improve the quality and consistency of service report cards;
- Following a request by Policy & Resources Scrutiny Committee at its meeting on 7<sup>th</sup> January 2016, the Wales Audit Office will be providing training to Members during June 2016 on the scrutiny of service report cards.

## **Background**

4. Following a self-evaluation of the Council's approach to performance management, the Council's corporate performance management framework was revised in 2014 to ensure there is a "golden thread" of accountability running through our organisation linking strategic activities to operational activities (a copy of the framework is attached at Appendix 1). The revised framework was approved by Policy & Resources Cabinet Board on 27<sup>th</sup> March 2014 which will ensure the better use of resources through:
  - Strengthening accountability at Chief Officer / Head of Service / Accountable Manager level;
  - Enabling the clearer identification of the "golden threads" between strategic and operational levels;
  - Embedding performance management in services;

- Strengthening scrutiny of performance.
5. Over the last two years, a great deal of progress has been made in the implementation of the revised framework including the introduction of business plans at head of service level and the development of service report cards at business unit level.
  6. During the summer of 2015, the Wales Audit Office (WAO) undertook a follow up review to the proposals for improvement from their Corporate Assessment undertaken in 2014. The WAO review sought to answer the question; “Has the Council made progress in implementing its new performance management arrangements”?
  7. The WAO made a number of proposals for improvement relating to the Council’s business planning and service report card arrangements.
  8. In relation to service report cards the WAO proposed the need to:
 

“Further refine the report cards, including strengthening the narrative evaluation and the link between priorities and actions”.
  9. To inform the improvement work required to address the above proposal and to evaluate the quality of service report cards and the use of report cards within the scrutiny process, the Corporate Strategy Team have undertaken an evaluation of the 30 service report cards that were reported to Scrutiny Committees during 2015/2016 (1<sup>st</sup> April 2015 - 10<sup>th</sup> December 2015).

## **Key Findings**

10. A great deal of progress has been made since the introduction of the requirement for the production of service report cards with 48% of services (43 of 89) presenting their service report cards to relevant scrutiny committees during 2015/2016. The key findings from the review of 30 of the service report cards are:
  - Some service areas are not entirely clear on the purpose and performance information requirements of the service report card. For example, 67% were not up to date at the time of reporting and many did not include information within the four specified quadrants which when included provide an holistic view of service performance (Service Performance, Financial information, Employee and

Customer information);

- 33% (10 out of 30) of service report cards included all required corporate measures;
- 47% (14 out of 30) of services used the suggested corporate format when reporting their service report card;
- 23% (7 out of 30) of service report cards made a clear connection between priorities, actions and measures. Although 57% (17) of service report cards made some links. 20% (6) did not have a clear connection between priorities, actions and measures;
- 37 % ( 11 out of 30) of service report cards provided an adequate account of progress against service priorities.

### **Member Consultation**

11. Prior to this review, Members of Scrutiny Committees had already commented on the consistency, format and usefulness of Service Report Cards. In addition following a request from the Chair and Vice-Chair of Policy and Resources Scrutiny Committee, all Scrutiny Committee Members were consulted via e-mail on the effectiveness of the service report card arrangements.
12. Members' responses acknowledged service report cards have been useful, have improved over time and have assisted Members to better scrutinise individual departments. The responses also highlighted the need for service report cards to focus on relevant information only, more consistency and for presentations to be concise drawing out significant points of interest only.

### **Improvement Work**

13. To address both the findings of the internal review and the proposal for improvement made by the Wales Audit Office, detailed guidance has been developed to improve the quality and consistency of service report cards.
14. The guidance provides managers with detail on the performance information requirements of the report card, information on the mandatory corporate measures which are to be included and how to make a clear connection between service priorities, actions and

measures. Members of the Corporate Strategy Team will be available to provide additional targeted support to those managers who require it.

15. Following a request by Policy & Resources Scrutiny Committee at its meeting on 7<sup>th</sup> January 2016, the Wales Audit Office will be providing training to Members during June 2016 on the scrutiny of service report cards.

### **Financial Impact**

16. The inclusion of financial information on the service report card will support the identification of any impacts on service delivery / performance as a result of reductions in financial resources or risk of non-achievement of identified savings.

### **Equality Impact Assessment**

17. This report is not subject to an Equality Impact Assessment. However, well-developed Service Report Cards will help Members identify any equality considerations when scrutinising service delivery and performance.

### **Workforce Impacts**

18. The inclusion of sickness data, staff engagement information and unplanned departures data on the service report card will provide an indication of any workforce issues that require addressing at the service level.

### **Legal Impacts**

19. To support the discharge of the duty placed on the Council, as contained within the Local Government (Wales) Measure 2009, to 'make arrangements to secure continuous improvement in the exercise of its functions'.

## **Risk Management**

20. Service report cards are one of the key strands of the Corporate Performance Management Framework. Failure to have robust performance management arrangements in place could result in poor performance going undetected. There is also the risk if we do not refine and strengthen the service report card process, the Wales Audit Office could issue a statutory recommendation on the Council during their annual audit.

## **Consultation**

21. No requirement to consult.

## **Recommendations**

22. It is recommended for Members to note the key findings of the review and the development of detailed guidance to improve the quality of service report cards.

## **Reasons for Proposed Decision**

23. Matter for information. No decision required.

## **Implementation of Decision**

24. Matter for information. No decision required.

## **Appendices**

25. Appendix 1- Corporate Performance Management Framework

## **List of Background Papers**

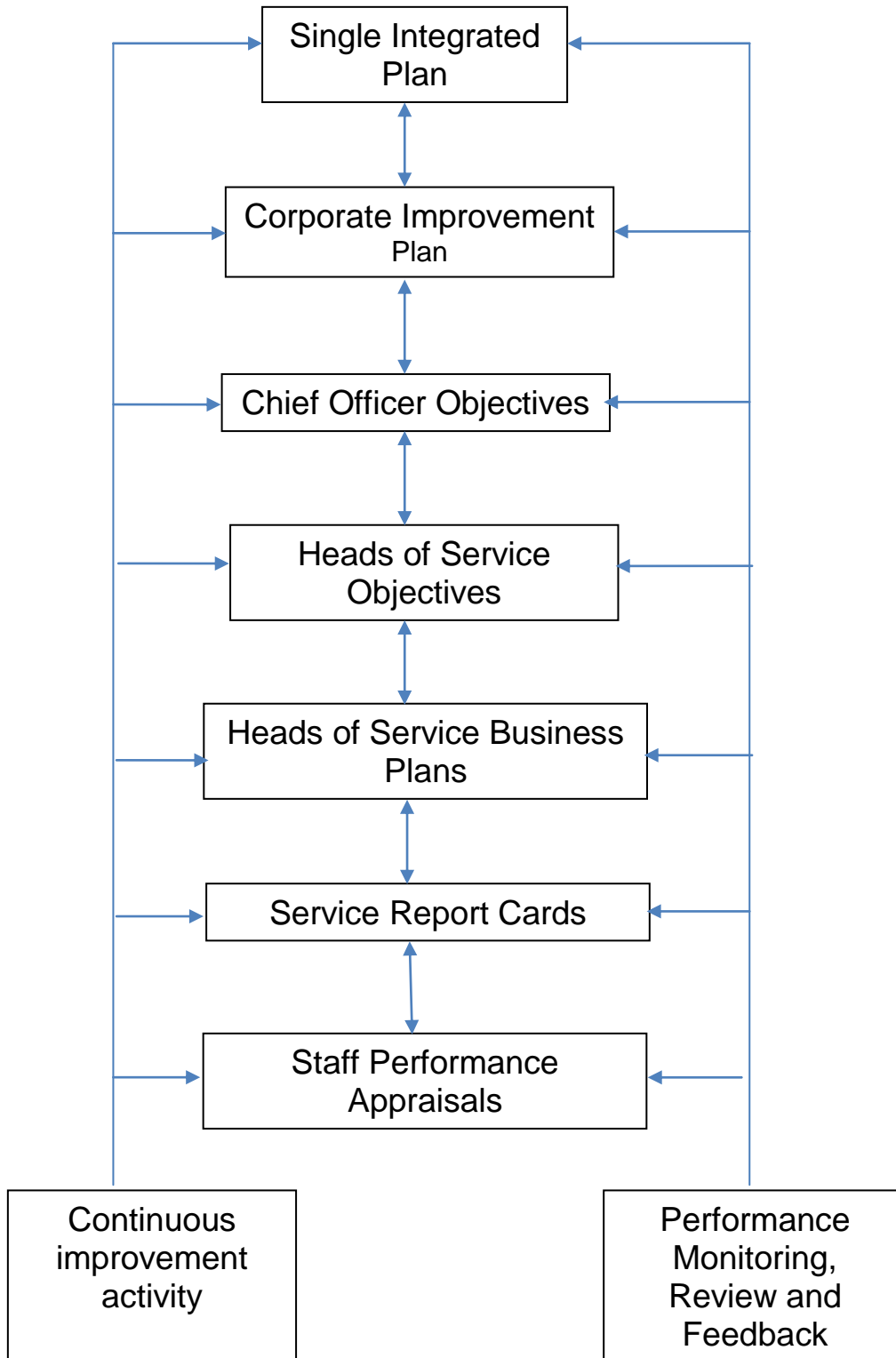
26. Corporate Performance Management Framework –Policy & Resources Cabinet Board – 27<sup>th</sup> March 2014

[Wales Audit Office \(WAO\) Review of Performance Management Arrangements - Policy & Resources Cabinet Board - 7<sup>th</sup> January 2016](#)

## **Officer Contact**

27. Karen Jones, Head of Corporate Strategy & Democratic Services  
Telephone: 01639 763284. E-Mail: [k.jones3@npt.gov.uk](mailto:k.jones3@npt.gov.uk)
28. Caryn Furlow, Corporate Policy, Performance & Partnership Manager  
Telephone: 01639 763242. E-mail: [c.furlow@npt.gov.uk](mailto:c.furlow@npt.gov.uk)
29. Shaun Davies, Performance Management Officer  
Telephone: 01639 763172. E-Mail: [a.s.davies@npt.gov.uk](mailto:a.s.davies@npt.gov.uk)

### Corporate Performance Management Framework





## NEATH PORT TALBOT COUNTY BOROUGH COUNCIL

### Policy and Resources Scrutiny Committee

19 May 2016

### Report of the Chairperson of Policy and Resources Scrutiny Committee

#### Matter for Decision

**Wards Affected:** All Wards

#### Response from the National Procurement Service

#### Purpose of the Report

1. To provide the Policy and Resources Scrutiny Committee with the response from the National Procurement Service to the questions submitted regarding the breakdown and explanation of the savings that Neath Port Talbot Council have achieved to date. For the Committee to agree on how to proceed.

#### Background

2. The Policy and Resources Scrutiny Committee received information on the National Procurement Service at a meeting on 7 January 2016. It was noted that the National Procurement Service had identified that by using the frameworks put in place, Neath Port Talbot Council had realised almost £80k of cash savings for the 2014/15 financial year. Officers had requested a breakdown on this from the National Procurement Service but the breakdown had not been received. It was agreed by Members of the Committee that the Chairperson wrote to invite the Director of the Service to attend the

meeting of the Committee on 31 March 2016. This would enable them to have provided a breakdown and explanation of the savings that Neath Port Talbot have achieved to date, what could be expected to save in the future and how it would be reported back to the Council.

3. Unfortunately the Director of the National Procurement Service was unable to attend the meeting of the Committee on that date. Instead the Committee was invited to submit written questions. The Committee agreed questions to be sent to the Service and the letter and questions are attached at Appendix One.
4. A response was received to the questions from the National Procurement Service on 22 April 2016 and is attached at Appendix Two.
5. The next steps for the Committee is to decide if they are satisfied with the information that they have received and whether any further action is required.

### **Financial Impact**

6. There are no financial implications within this report. However, there are wider financial implications in the results of the work undertaken by the National Procurement Service.

### **Equality Impact Assessment**

7. There are no equality impacts associated with this report.

### **Workforce Impacts**

8. There are no workforce impacts associated with this report.

### **Legal Impacts**

9. There are no legal impacts associated with this report.

### **Risk Management**

10. There are no risk management issues associated with this report.

## **Consultation**

11. There is no requirement under the Constitution for external consultation on this item.

## **Recommendations**

12. To establish if the Members of the Policy and Resources Scrutiny Committee are satisfied with the response received from the National Procurement Service to the letter and questions submitted by the Committee.
13. If the Committee are dissatisfied with the information received, then for Members to agree how to proceed.

## **Reasons for Proposed Decision**

14. To ensure that the enquiries undertaken by the Policy and Resources Scrutiny Committee into the National Procurement Service are brought to a conclusion.

## **Implementation of Decision**

15. Immediate implementation.

## **Appendices**

16. Appendix One - Letter and questions submitted to the National Procurement Service.
17. Appendix Two - Response from the National Procurement Service.

## **List of Background Papers**

18. Corporate Procurement Update - 7 January 2016.

## **Officer Contact**

19. Catherine Gadd and Stacy Curran  
Democratic Services  
Neath Port Talbot County Borough Council

01639 763118

[c.gadd@npt.gov.uk](mailto:c.gadd@npt.gov.uk)

[s.curran@npt.gov.uk](mailto:s.curran@npt.gov.uk)



Neath Port Talbot  
Castell-nedd Port Talbot  
County Borough Council Cyngor Bwrdeistref Sirol

*Making a difference Gwahaniaeth er gwell*

1<sup>st</sup> April 2016 Date Dyddiad  
01639 763118 Direct Line Rhif Ffôn  
c.gadd@npt.gov.uk email e-bost

Catherine Gadd Contact Cyswllt  
Your Ref Eich Cyf  
Our Ref Ein Cyf

Ms Sue Moffatt  
Commercial Director Welsh Government &  
Director National Procurement Service

Dear Sue,

Thank you for your response to the invitation from Neath Port Talbot Policy and Resources Scrutiny Committee to attend the meeting on 31<sup>st</sup> March 2016. Elected Members wished to have a breakdown and explanation of the savings that Neath Port Talbot have achieved to date, what we can expect to save in the future and how that will be reported back to the Council. As you were unable to accept the invitation to attend the meeting that day, Members would like to accept your offer to submit written questions. Please find attached the questions that have been put forward by the Committee. Please could you provide a response to the questions by Friday 22<sup>nd</sup> April 2016.

Yours sincerely,

Cllr Des Davies  
Chairperson  
Policy and Resources Scrutiny Committee  
Neath Port Talbot County Borough Council

Chief Executive's Office  
Swyddfa'r Prif Weithredwr

Steven Phillips  
Chief Executive  
Civic Centre, Port Talbot SA13 1PJ  
Tel: 01639 763306 Fax: 01639 763355

Steven Phillips  
Prif Weithredwr  
Y Ganolfan Ddinesig, Port Talbot SA13 1PJ  
Ffôn 01639 763306 Ffacs 01639 763355



This page is intentionally left blank

## Questions for National Procurement Service (NPS):

- Our former Procurement Manager left his post before last Christmas and before leaving he asked for details to be provided of the savings which NPS stated that Neath Port Talbot Council had realised (£79,285). He also asked for information regarding savings achieved during 14/15 and 15/16 but to date this has not been supplied. Would it be possible to receive this information and also savings achieved updates from NPS on a quarterly basis?
- We have recently experienced several instances where NPS contracts have been delayed. This has an impact on the Authority and has left us, or will soon leave us, without a contract in several areas; especially those where former WPC frameworks were in place; for example the agreement concerning frozen foods. Could we be given notice of slippage with sufficient time to allow us to take measures locally?
- Some of the frameworks which have been delivered have been confusing and your responses to our queries can take a long time to arrive. Is it possible to streamline the process once the framework has been made available such that it becomes more locally adaptable? Currently if we do not wish to directly award we need to carry out a very similar process to that which has already been undertaken by NPS. It would be beneficial to be able to carry out a mini competition based purely on cost – thereby maximising the saving without needing to spend a large amount of time evaluating the quality given that was already assessed by NPS prior to the framework being released.
- Where a local agreement is cheaper than the cost which comes out of a mini competition, shouldn't the Authority be able to procure locally without needing to spend time opting out of the NPS framework?
- When the framework goes live we would expect to see all documentation relating thereto on Sell2Wales in parallel. This has not been the case in some instances, e.g. the ITC framework, provision of electrical, plumbing and associated materials. Could this be reviewed and remedied?
- Within the cleaning materials framework, the 'spend analysis tool' provided to carry out an assessment of the prices was inaccurate and could not be used. This was brought to NPS' attention and we

were advised that it would be resolved. We are still waiting on this could this and would appreciate an update.

- 'Go live' dates are not updated on a regular basis. Could this also be reviewed?



Cllr Des Davies  
Chairperson  
Policy and Resources Scrutiny Committee  
Neath Port Talbot CBC  
Civic Centre  
Port Talbot  
SA13 1PJ

Eich Cyf/Your Ref:  
Eich Cyf/Our Ref:

22 April 2016

Dear Des,

Thank you for your letter dated 1 April 2016 regarding the breakdown and explanation of the savings that Neath Port Talbot has achieved to date. Please find the responses to the questions submitted by the Elected Members of the Policy and Resources Scrutiny Committee below:

- 1. Our former Procurement Manager left his post before last Christmas and before leaving he asked for details to be provided of the savings which NPS stated that Neath Port Talbot Council had realised (£79,285). He also asked for information regarding savings achieved during 14/15 and 15/16 but to date this has not been supplied. Would it be possible to receive this information and also savings achieved updates from NPS on a quarterly basis?**

The overall sector reports have been issued every month through the NPS Delivery Group and these reports capture all Local Authority savings by contract and category and are distributed to all Local Authority Heads of Procurement by the Local Authority representatives on the Group. A report for your organisation was generated and issued in June 2015. So I can only apologise if you have not had sight of the report. This report identified savings of £139,409.

At the Welsh Treasurers meeting in December, it became clear that reports were not being received within organisations so it was agreed that every Local Authority would receive their own report bi-monthly from April 2016.

The 2014/15 reports are being re-generated and will be re-sent directly to you for distribution to the committee. For 2015/2016 the final year end report is being collated and will be provided in June as there is a two month lag in receiving data from suppliers based on their invoicing and reporting business cycles. For 2016/2017 we will produce savings reports bi-monthly as agreed at the Welsh Treasurers meeting and a full year end report for each local authority.

- 2. We have recently experienced several instances where NPS contracts have been delayed. This has an impact on the Authority and has left us, or will soon leave us, without a contract in several areas; especially those where former WPC frameworks were in place; for example the agreement concerning frozen foods. Could we be given notice of slippage with sufficient time to allow us to take measures locally?**

The reasons for delay are discussed and agreed with Delivery Group who oversee and make decisions on the NPS programme of work. The local authority representatives are: Paul Ashleigh-Jones, Liz Lucas, Roger Barnett, Andrew Maisey and Steve Robinson.

The NPS category teams work with the Category Forum Group, our Communications Team and the Delivery Group Members to ensure any slippage in pipelines is notified to customers. This is to enable customers to manage these situations more effectively and minimise any contractual risks.

There is work underway to consider how we may better communicate delays & work with customers to minimise any contractual risks. We would like to reassure you that we make every effort to minimise delays, however for some categories such as stationary and print, legal challenges have delayed or prevented contract award. On other categories, where there has been disagreement on the approach through the category forum, the issue is ultimately escalated to the Delivery Group to decide on the best way forward on behalf of all of our customers.

I can only apologise for the delays in the frozen food agreement, the delays were due to the need to accommodate additional customer requirements in relation to food safety and testing which are critical requirements. In future we will be providing more frequent communication and direct updates to all customers on specific delays.

**3. Some of the frameworks which have been delivered have been confusing and your responses to our queries can take a long time to arrive. Is it possible to streamline the process once the framework has been made available such that it becomes more locally adaptable? Currently if we do not wish to directly award we need to carry out a very similar process to that which has already been undertaken by NPS. It would be beneficial to be able to carry out a mini competition based purely on cost – thereby maximising the saving without needing to spend a large amount of time evaluating the quality given that was already assessed by NPS prior to the framework being released.**

I welcome your feedback on these issues and they have been raised by other customers, discussed at Delivery Group and actions are being to address them which include:

- Working with customers to facilitate contract awards at the time of awarding a framework,
- Facilitating and delivering mini-competitions,
- Embedding direct award options into frameworks.

There is a requirement under the Procurement Regulations that mini competitions are run using the same evaluation criteria (weighting percentages) as laid out in the original tender. NPS can write tender documents that vary the weighting percentages for mini-competitions to move to a 100% price model if required. It is worth noting that the weighting criteria are set by the Category Forum Groups rather than NPS however we can include this discussion point as a standard process. The Category Forum Group has representatives from all sectors and the terms of reference requires its members to liaise with others in their sector to ensure the sector requirements are fully reflected in the final tender documentation.

**4. Where a local agreement is cheaper than the cost which comes out of a mini competition, shouldn't the Authority be able to procure locally without needing to spend time opting out of the NPS framework?**

The Minister for Finance and Government Business determined the governance for the NPS at the creation of the organisation and an opt out procedure was developed which allows organisations wishing to opt out to present their case to the NPS Board. Opt outs initially go to the Delivery Group for discussion and are forwarded on to the Board with the Delivery Group recommendation to accept or reject the opt out.

Clearly we do not want a customer to be paying more for the same products and services. Where an NPS supplier is more expensive on a like for like comparison with a compliantly tendered contract and the examples of price difference are identified, we work with the NPS framework suppliers to reduce or harmonise the pricing. To date all examples provided to NPS have either been non like for like comparisons or we have been able to reduce the prices to match or beat the local pricing.

The remit of the NPS is to buy once for Wales and establish frameworks for common and repetitive spend to enable local procurement teams to work more strategically, while ensuring the principles of the Wales Procurement Policy Statement and the new requirements of Wellbeing and Future Generations Act are embedded into all of our contracts.

The Opt out process must be completed prior to the tender process, as the published value of the tender needs to reflect the anticipated spend and requirements reflect the customer commitment to the supplier market.

The NPS works with a Category Forum to identify customer's requirements and agree the optimum route to market. The NPS provides a compliant route to market in line with the Wales Procurement Policy Statement & the aggregated spend should provide the best value option.

Customers can also participate in collaborative mini competitions from the NPS framework to improve the published pricing.

Our standard practices when working with a Category Forum Group is to understand the local market and benchmark pricing prior to tendering. This also helps ensure local companies are aware of the framework opportunity and can respond to the NPS tender, which could help to prevent the suggested scenario from arising in the future.

**5. When the framework goes live we would expect to see all documentation relating thereto on Sell2Wales in parallel. This has not been the case in some instances, e.g. the ITC framework, provision of electrical, plumbing and associated materials. Could this be reviewed and remedied?**

We apologise for any inconvenience this may have caused. As a result of this feedback the NPS has made amendments to internal procedures. New pipelines provide a one month implementation phase, from award to Go-Live to ensure that all relevant documentation will be available from the commencement of the contract.

- 6. Within the cleaning materials framework, the 'spend analysis tool' provided to carry out an assessment of the prices was inaccurate and could not be used. This was brought to NPS' attention and we were advised that it would be resolved. We are still waiting on this could this and would appreciate an update.**

Thank you for bringing this to our attention. We are aware of the issue that you highlighted and have been working to resolve it.

The issue will be resolved by the end of April when a new desktop tool will be uploaded to sell2wales. I can only apologise for the delay in resolving this which has been due to technical difficulties and the loss of a key member of staff.

We would welcome working with you to consider either conducting a mini competition collaboratively with other public sector organisations to improve the commercial outcome available. The NPS category teams are able to support collaborative mini competitions and are currently assessing the appetite amongst customers for this approach.

- 7. 'Go live' dates are not updated on a regular basis. Could this also be reviewed?**

The NPS Delivery Group review and agree all exceptions to timescales each month and had previously agreed that the published pipelines should only be updated quarterly. However we recognise this can lead to confusion for our customers and our now reverting to amending and re-publishing the pipelines on a monthly basis together with issuing more communications if a particular framework or contract slips.

Please do not hesitate to contact me if you would like any further information.

Yours sincerely,



**Sue Moffatt**  
Director  
National Procurement Service