

REPORT OF THE SCRUTINY COMMITTEE FOR AUDIT AND BEST VALUE

The Audit and Best Value Scrutiny Committee met on 4 March 2009. Attendances:-

Councillor Tutt (Chairman)
Councillors Birch, Ensor, Gadd, Murphy, Sparks, and Whetstone

1 Scrutiny Review of procurement with local small and medium sized enterprises (SMEs) in East Sussex – interim report

1.1 The Audit and Best Value Scrutiny Committee has considered the interim report by the Chairman of the Project Board carrying out a scrutiny review of County Council procurement with local, small and medium sized enterprises (SMEs) in East Sussex. A copy of the Committee's report has previously been circulated to all Members and is available on request from Mary Clarke (Tel: 01273 481587).

1.2 Previously, at its meeting on 19 June 2008, the Audit and Best Value Scrutiny Committee established a Scrutiny Review Board to: (a) investigate the extent to which the Council's procurement processes offer 'a level playing field' to local SMEs who wish to access contract opportunities with the Council; (b) test whether the procurement processes designed to increase value for money and the participation of SMEs in East Sussex are working in practice; and (c) make recommendations to enhance processes as appropriate. The Project Board comprises Councillors Tutt (Chairman) Ensor, Gadd and Whetstone.

1.3 The interim report of the project Board contains a summary of progress with the review together with the interim findings and recommendations of the Project Board.

1.4 The Cabinet at its meeting on 28 April 2009 welcomed the interim report together with a report by the Deputy Chief Executive and Director of Corporate Resources with observations on the Scrutiny Committee's report. The Cabinet agreed to recommend the County Council to welcome the recommendations set out in the report and to approve the response of the Deputy Chief Executive and Director of Corporate Resources to the recommendations and their implementation.

1.5 The five recommendations are –

1 Contracting departments should publish clear information on the Council's website, and elsewhere as appropriate, about how the select list process operates, to include: a) the list of approved contractors, subdivided into categories where appropriate b) the procedure by which firms are called off the list to deal with ad hoc work or invited to tender c) The principle of rotation being used including who decides how to allocate each piece of work and the factors used.

2 Contracting departments should publish clear details about how the framework system operates including: a) the list of framework contractors for every framework b) the procedure by which contracts are allocated to framework companies.

3 All information published by the Council on its website about procurement processes, and details of select lists should include an email contact address to enable SMEs to communicate with the Council more easily.

AUDIT AND BEST VALUE

4 Council departments to be encouraged to arrange 'meet the buyer' events for SMEs where benefits can be identified: such informal meetings would enable two way communication: from the Council about the types of contracts and subcontracts coming up, also to involve the framework contractors; and from suppliers about the kinds of contracts they would be interested in.

5 Contracting departments should publish forward procurement plans, together with lists of contracts awarded and forthcoming opportunities available that are likely to be of interest to SMEs; this will assist SMEs to better assess whether to engage in the procurement processes of the County Council.

[See also report of the Cabinet, paragraph 1, page 17]

DAVID TUTT
Chairman

4 March 2009