

STOCKPORT, TRAFFORD AND ROCHDALE (STAR) JOINT COMMITTEE

20 JULY 2016

PRESENT

Councillor A. Brett (in the Chair).

Councillors P. Myers and Sedgwick (Vice-Chairman)

Also Present

Councillor Dylan Butt (Trafford)

Councillor Mrs Laura Evans (Trafford)

In attendance

Sharon Robson	- Director of Procurement (STAR Shared Procurement)
Jonathan Davies	- Head of Financial Accounting, Stockport Council
Julie Murphy	- Head of Finance, Rochdale Borough Council
Mark Jones	- Interim Legal Advisor, Trafford Council
Elizabeth McKenna	- Head of Strategic Procurement (STAR Shared Procurement)
Alison Keen	- PA to Director of Procurement (STAR Shared Procurement)
Chris Gaffey	- Democratic and Scrutiny Officer, Trafford Council

1. MEMBERSHIP OF THE COMMITTEE 2016/17, INCLUDING CHAIRMAN AND VICE-CHAIRMAN

Members welcomed Councillor David Sedgwick to the meeting who was recently confirmed as Stockport Borough Council's new representative on the STAR Joint Committee.

RESOLVED: That the Membership of the STAR Joint Committee for the 2016/17 Municipal Year, be noted:

Councillors Allen Brett (Chairman), Patrick Myers, and David Sedgwick (Vice Chairman).

2. TERMS OF REFERENCE

RESOLVED: That the Committee's Terms of Reference be noted.

3. MINUTES

RESOLVED: That the Minutes of the meeting held on 19 January 2016, be approved as a correct record and signed by the Chairman.

4. DECLARATIONS OF INTEREST

No declarations of interests were made by Members.

5. STAR REVENUE BUDGET MONITORING REPORT - 2015/16 OUTTURN

The Committee received a joint report of the Director of Procurement STAR Procurement and the Finance Manager detailing the outcomes of the monitoring of STAR's revenue budget for the 2015/16 financial year.

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RESOLVED: That the report be noted.

6. STAR REVENUE BUDGET MONITORING REPORT - PERIOD 1-2, 2016/17

The Committee received a joint report of the Director of Procurement STAR Procurement and the Finance Manager detailing the outcomes of the monitoring of STAR's revenue budget for period 2 of the current financial year (April to May 2016).

RESOLVED: That the report be noted.

7. HR STATISTICS - QUARTER 4 2015/2016

The Committee received a report of the Business Improvement Manager providing HR statistics for STAR Procurement staff for the 2015/16 financial year. It was noted that a large portion of the 291 days lost to sickness over the year could be attributed to just two members of staff. The situation had since been addressed with a marked improvement in the statistics.

RESOLVED: That the report be noted.

8. HR STATISTICS - 2016/17 QUARTER 1

The Committee received a report of the Business Improvement Manager providing HR statistics for STAR Procurement staff for the first quarter of the 2016/17 financial year.

The Director of Procurement advised that a staff member would become a long term absentee due to illness, and the employing of an additional member of staff on a temporary basis was being considered. The budget would be reviewed before making a final decision.

RESOLVED: That the report be noted.

9. STAR RISK REGISTER - Q1

The Committee received a report of the Business Improvement Manager providing an update on the organisational Risk Register for STAR Procurement at the end of the first quarter of the 2016/17 financial year. Members were alerted to a new risk which had been added to the register concerning information governance, as well as the downgrading of the risk associated with The Chest (Procurement Portal) performance issues.

RESOLVED: That the report be noted.

10. STAR BUSINESS PLAN 2016/17

The Committee received a report of the Head of Strategic Procurement providing a summary of the process that was followed to develop the STAR Business Plan for 2016/17. The report also detailed STAR's vision and objectives.

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The Business Plan had been formed with high level strategic direction from the STAR Board, with the aim of making STAR the employer of choice. The Plan stressed STAR's commitment to value for money, being customer focused, collaboration and innovation.

Members discussed the possible implications of Brexit on the procurement industry, and noted the importance of securing new partners as part of the STAR objectives.

RESOLVED: That the STAR Business Plan for 2016/17 be approved, published on the STAR website, and circulated to stakeholders.

11. CONTRACT PROCEDURE RULES

The Committee received a report of the Director of STAR Procurement setting out the proposed amendments to the harmonised Contract Procedure Rules (CPR) currently adopted by each Council. It was noted that the response to the CPRs as adopted in 2015 had been overwhelmingly positive, and it had always been planned to review them after the initial year of operation.

The Director of Procurement STAR Procurement thanked the CPR working group for their efforts in reviewing the CPRs, and it was noted that the suggested amendments had been agreed by the legal and finance teams of each Local Authority. If the proposed changes were endorsed by the Joint Committee, these would need to be approved by each respective Council before their incorporation into their Constitutions.

RESOLVED: That the revised Contract Procedure Rules be endorsed by the Joint Committee and referred to each Council for their approval and incorporation into their respective Constitutions.

12. STAR AWARDS PLAN

The Committee received a report of the Head of Strategic Procurement highlighting STAR Procurement's award successes to date. STAR won the National Go Award for Procurement Leadership of the Year in March 2016, and was recently shortlisted for the Association for Public Service Excellence (APSE) Service Awards 2016. The report also detailed plans for future award submissions, setting out a targeted approach to ensure that the integrity and prestige of the awards remained high.

RESOLVED:

(1) That STAR Procurement's award successes to date be noted.

(2) That the targeted plan for future award submissions be agreed.

13. 2015/16 BALANCED SCORECARD FINAL POSITION

The Committee received a report of the Head of Strategic Procurement providing a final position statement on the balanced scorecard for the financial year 2015/16. All targets were achieved.

RESOLVED: That the report be noted.

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14. BALANCED SCORECARD PERFORMANCE - QUARTER 1 2016/17

The Committee received a report of the Head of Strategic Procurement providing an update on the balanced scorecard performance at the end of the first quarter of the 2016/17 financial year. Members were also advised of the changes made to the balanced scorecard, with the Social Value (SV) element now weighted at 20 per cent (raised from 15 per cent), and the Customer Satisfaction / Performance element now reduced to 10 per cent. The Key Performance Indicators (KPIs) had also been amended to be more focused for the 2016/17 financial year.

Members were advised that the achieved savings for F1 were calculated only after savings information had been signed by senior finance officers from each Council, providing accurate figures. The Committee questioned whether the target set for the first element of the Social Value aspect of the scorecard (S1) was realistic considering its low score during the first quarter. The Director of STAR Procurement advised that work was ongoing to review this target as well as how S1 would be delivered going forward. It was suggested that a revised target might be set following the review.

RESOLVED: That the report be noted.

15. SOCIAL VALUE CURRENT POSITION AND FUTURE STATE

The Committee received a report of the Head of Strategic Procurement providing a summary of the current social value implementation across Greater Manchester via independent review by the Centre for Local Economic Strategies. The report also provided a summary of the current Social Value implementation at STAR Procurement, and a summary of further actions.

It was noted that all STAR Councils had adopted the GMCA Social Value Policy, and the Joint Committee were asked to agree to the inclusion of a 10 per cent weighting requirement for Social Value (SV) in relevant tender submissions to STAR. Members were advised of reluctance by some commissioners to allocate this percentage as there was no mandated requirement to adhere to this value and no reference to it in the Contract Procedure Rules. The Committee discussed the importance of SV, but wanted to ensure that the requirements did not adversely affect smaller companies. Members requested feedback on this at the next meeting to ensure that the inclusion of the 10 per cent SV requirement was not deterring smaller companies from submitting tenders. All Members agreed to review the STAR Procurement Handbook which is one of the resources offered to smaller companies. The Director of Procurement welcomed any feedback with a view to improving the offer.

RESOLVED:

- (1) That the current GM and STAR Procurement approach to Social Value be noted.
- (2) That the proposals for further rollouts of Social Value be noted.
- (3) That the requirement for a tender to include a Social Value weighting of 10 per cent where relevant and proportionate, be agreed.

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- (4) That Committee Members study the STAR Procurement Handbook to assess its accessibility for smaller companies.

16. MANCHESTER CITY COUNCIL'S ETHICAL PROCUREMENT POLICY

The Committee received a report of the Director of STAR Shared Procurement providing an update on the progress on Manchester City Council's Ethical (Procurement) Policy. Following a discussions at the STAR Joint Committee meeting in January 2016, it was agreed that the Director of STAR Shared Procurement would attend meetings of the Manchester Overview and Scrutiny Ethical Procurement Task and Finish Group on behalf of the STAR Joint Committee Elected Members, and report back accordingly.

The Director of STAR Shared Procurement noted that the Policy represented good practice, and the consensus from the meeting on 17 June 2016 was that the Policy had the potential to be applied across Greater Manchester. The input of all three authorities on the STAR Joint Committee would be required before anything was agreed, and it was noted that the document should be re-drafted to be sufficiently generic to apply to all GMCA members.

RESOLVED:

- (1) That the report be noted.
- (2) That the proposed next steps set out in the report be agreed.

17. NEW BUSINESS / CLIENT UPDATE

The Committee received a verbal report of the Director of STAR Procurement providing an update on potential new business and clients.

Salford City Council had expressed their interest in collaborating with STAR, and the options available to them were currently being considered by their Cabinet. The Committee were advised that the discussions around the potential partnership with Greater Manchester Police had stagnated, and would most likely not go ahead.

The Committee discussed the inclusion of potential new partners within STAR, and members were keen to ensure that the original STAR members would benefit from any new partnership and that the service would not be diluted.

RESOLVED: That the update be noted.

18. DATE AND TIME OF NEXT MEETING

It was confirmed that the next meeting of the STAR Joint Committee would be held at Trafford Town Hall at 2:00pm on Tuesday the 18th of October 2016. The following meeting was scheduled for 2:00pm on Thursday the 19th of January 2017 at Stockport Town Hall.

RESOLVED: That the meeting arrangements be noted.

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The meeting commenced at 2.00 pm and finished at 3.15 pm