

COMMUNITY SERVICES SCRUTINY COMMITTEE

5 December 2012
5.00 - 5.46 pm

Present: Councillors Kerr (Chair), Kightley (Vice-Chair), Blackhurst, Brown, Birtles, Blencowe, Moghadas and O'Reilly

Officers Present:

Director of Customer and Community Services – Liz Bisset
Head of Arts and Recreation – Debbie Kaye
Head of Legal Services – Simon Pugh
Recreation Services Manager – Ian Ross
Committee Manager – Martin Whelan

FOR THE INFORMATION OF THE COUNCIL

12/78/CS Apologies

There were no apologies for absence.

12/79/CS Declarations of Interest

There were no declarations of interest.

12/80/CS Public Questions (See information below)

There were no public questions.

12/81/CS LEISURE MANAGEMENT CONTRACT - A REVISED APPROACH TO ENCOURAGE THE PAYMENT OF A LIVING WAGE

Matter for Decision: To consider the Leisure Management Contract – A revised approach to encourage the payment of a living wage.

Decision of Executive Councillor for Arts, Sport and Public Places;

The Executive Councillor resolved to

- i. Agree that the invitation to tender (ITT) documentation for the leisure contract should:
 - a) Identify strong support for the payment of Living Wage in this contract;
 - b) Highlight the benefits that the Council believes this will provide;
 - c) Include evaluation criteria that measure the performance of bidders in areas where the benefits of paying the Living Wage will be demonstrated.
- ii. Amend the previous decision relating to the capped annual fee for the contract and raise this by £25,000 to £675,000 per annum.

Reason for the Decision:

As per the officer report

Any alternative options considered and rejected:

Not Applicable

Scrutiny Considerations

The committee received a report presented by the Head of Arts and Recreation, regarding the "Leisure Management Contract – A revised approach to encourage the payment a living wage". The Head of Legal Services presented the legal aspects of the report.

The Executive Councillor addressed the committee and outlined the reasons why he was supportive of the proposed recommendations.

The committee made the following comments on the report

- i. Clarification was requested on whether the tender documentation highlighted the potential benefits for the environment, if payment of the living wage enabled staff to live closer. The Head of Arts and Recreation agreed to revisit the ITT and make the link clearer.
- ii. The Head of Legal Services was asked whether it would be possible to ring fence the proposed uplift, so that it could only be used to facilitate the payment of the living wage. Clarification was also requested on the

nature of any potential challenge. The Head of Legal Services explained that it would be possible for the procurement process to be challenged through the domestic and European legal system. The committee were advised of the implications of a successful challenge based on EU procurement regulations. The committee were also advised that whilst it would not be possible to ring fence the £25,000, it would be possible to exert moral pressure on applicants through ITT process.

- iii. Clarification was requested on to what extent the proposed uplift in the contract value had been made public. The Recreation Services Manager explained that whilst the figure currently paid to SLM was commercially sensitive, some information was publicly available through the procurement process. The Head of Arts and Recreation highlighted the historic variation in the contract value.
- iv. Councillor Blencowe expressed concern that the correct process had not been followed at the Scrutiny Committee, and that the statement from the Executive Councillor should have been made after deliberation by the Scrutiny Committee and not before. The Executive Councillor acknowledged the concern.
- v. An explanation of the relative weighting for different elements of the contract was requested. The Recreation Services Manager provided an overview of the evaluation criteria. The committee were advised that the questions were worded to encourage the payment of a living wage.
- vi. Following a question from the committee, the Recreation Services Manager confirmed that the potential for reduced turnover of staff was included in the procurement documentation.

The Scrutiny Committee considered and endorsed recommendations unanimously.

The Executive Councillor approved the recommendations

Conflicts of interest declared by the Executive Councillor (and any dispensations granted)

N/A

The meeting ended at 5.46 pm

CHAIR