

Overview and Scrutiny Management Committee: Holding the Executive to Account

Scrutiny Monitoring – 16 February 2017

Date	Portfolio	Title	Action proposed	Action Taken	Progress Status
12/01/17	Leader's	Local Authority Trading Company	1) That the key milestones for the establishment of the LATCo are circulated to the Committee.	<p>The key milestones for the project currently stand as follows:</p> <ul style="list-style-type: none"> ▪ January – April 2017: Development of service specifications and tender documentation for the procurement process regarding the selection of one or more improvement partners; and framework for operation of the LATCo ▪ April / May 2017: Launch of procurement with focus on initial Procurement Selection Questionnaire (SQ) stage in order to longlist participants. ▪ May / June 2017: Start of discussions and negotiations leading to completion of Invitation to Submit Outline Solutions (ISOS) stage. This will reduce the number suppliers per bundle (service lot areas) to be taken through to the next stage; ▪ June – September 2017: Invitation to Submit Detailed Solutions (ISDS) stage. Further dialogue with suppliers successful from previous stage to enable further shortlisting; ▪ October – November 2017: Conclusion of negotiations leading to Invitation to Submit Final Tenders (ISFT) stage ▪ December 2017: Recommendation to Council on the formation of the LATCo and the selection of the proposed preferred bidder(s) to support the LATCo in the delivery of services; ▪ January – March 2018: Incorporation of 	

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				<p>the LATCo; Contract Award to selected partner(s) and mobilisation of services;</p> <ul style="list-style-type: none"> ▪ April 2018: Services transitioned to LATCo and Go-Live. <p>Please note that the decision to follow the above timetable for all services at once, or for part of the services in successive stages, will follow in due course, depending on market feedback as part of the procurement process and responsiveness on the partners' and Council's ability to transition multiple services in parallel.</p>	
			<p>2) That, ranging from low to high, the Committee are provided with the estimates of the potential profit that the LATCo could generate for the Council.</p>	<p>A review of the financial results for NORSE and CORMAC (two of the more established LATCos for Norfolk County Council and Cornwall County Council respectively) over the last 3 years suggests a range of 1.4% to 3% PBIT margins (Profit Before Interest and Tax). However, it should be noted that mix of services provided has a big impact on profitability – for example, 25% of the NORSE turnover relates to care and cleaning services which typically attract the lower range of profit potential for facilities management services. Housing management services would typically attract more.</p>	
			<p>3) That officers seek to ensure that the procurement process to be followed to recruit one or more public and/or private sector partners to support the LATCo is designed to encourage as wide a range of submissions as possible.</p>	<p>The procurement strategy is being developed in a way that maximises flexibility in terms of service design and partner support, while ensuring compliance with procurement and other regulations. The proposed strategy and emerging options will be presented to Cabinet and Council as appropriate during the process, as will the final</p>	

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				recommendation for the establishment of the LATCo and the selection of a preferred partner(s)	
12/01/17	Education and Skills / Children's Social Care	Children and Young People's Strategy	1) That the Committee are provided with a briefing paper on the Edge of Care Social Impact Bond initiative.	Information will be circulated to the Committee in advance of the meeting.	
			2) That, reflecting the Council's aims of reducing demand for more intensive safeguarding services by promoting earlier intervention, the Committee are provided with information clarifying how capacity is being created to manage the anticipated increase in demand for early help and preventative services.	Information will be circulated to the Committee in advance of the meeting.	