

COMMITTEE	DATE	CLASSIFICATION	REPORT NO.	AGENDA ITEM
Overview and Scrutiny Committee	6 March 2007	Unrestricted		
<b>REPORT OF:</b> Assistant Chief Executive  <b>ORIGINATING OFFICER(S):</b> Michael Keating Service Head, Research and Scrutiny		<b>TITLE:</b> Request for Report on Strategic Communications Contract  <b>WARD(S) AFFECTED:</b> All		

## 1. Summary

- 1.1 This report responds to a request from a Member of the Overview and Scrutiny Committee for a report to the Committee on a specific contract entered into by the Council.

## 2. Recommendations

Members are recommended to:

- 2.1 agree how to deal with this request, considering officers' proposals set out in Section 4.

---

### Local Government Act, 2000 (Section 97) List of "Background Papers" used in the Drafting of this Report

Brief description of background papers:

n/a

Name and telephone number of holder and address where open to inspection

Angus Dixon  
020 7364 4850

### **3. Background**

3.1 In January, the Scrutiny Lead for Excellent Public Services, Councillor Simon Rouse wrote to the Chair of the Overview and Scrutiny Committee requesting under Article 6, section 6.03 of the Constitution that the Committee review by way of a report and questioning of officers a particular decision of the Chief Executive and its subsequent implementation. The decision in question was that made in August 2005 to award a contract for strategic communications support and interim management to Verve Communications.

3.2 Councillor Rouse asked that a report to Overview and Scrutiny should cover the following points:

- The background to the awarding of the contract including details of all parties involved in any review and decision to outsource the work;
- Detailed outlining of the tender process undertaken;
- The nature of the contract awarded to Verve Communications, including terms and conditions, nature of the work to be undertaken, timespan of contract and performance indicators;
- Details of all work undertaken by Verve Communications since the awarding of the contract including costs and benefits obtained by the Council;
- How the ongoing performance of Verve Communications has been monitored by officers and Members since its awarding of the contract;
- The role and remit of the communications review;
- How the Council's spend on communications activity compares to other London boroughs;
- Any other expenditure by the Council on communications spend to consultants or other third parties or associated companies to Verve Communications; and
- The current expectation of the life of the contract and when re-tendering may occur.

3.3 Councillor Rouse pointed out that this is not an exhaustive list of areas to cover.

3.4 The Chair of the Committee informed Councillor Rouse that due the weight of the agenda for February Committee, he had asked officers to prepare a report for March Committee.

### **4. Process for Overview and Scrutiny to review a decision**

4.1 All work by Overview and Scrutiny sits within its work programme which is agreed by the Committee. As the Constitution makes clear, all requests for reviews sit within the context of the overall work programme. This is so that the Committee can prioritise and organise its work and that of officers.

- 4.2 Members are reminded that criteria were agreed to draw up the Work Programme for the Committee. These are to consider:
- Issues that assist in tackling an area of poor or challenging performance (bottom quartile or equivalent) that has priority within the Strategic Plan
  - where member input and understanding would assist with sustaining high performance that has priority within the Strategic Plan
  - issues that assist the Council in addressing an area of national policy development that has significant implications for the Council and where member input would be valuable
  - issues that relate to a planned service inspection and member input would be valuable in providing a robustness test before inspection (or submission of self-assessment)
  - where there is gap between community perception or concern and objective performance and members' leadership on this issue would help address this gap
  - where members' work on an issue will contribute particularly toward improving Value For Money (VFM)
- 4.3 A report of the kind requested by Councillor Rouse is not within the current Overview and Scrutiny work programme. There is however a scrutiny review planned under the Excellent Public Services workstream of the Council's use of consultants and temporary staff. The review which Councillor Rouse has requested could be brought into that workstream as a 'case study' for that review. While the review of the Council's use of consultants is not due to take place until 2007/08 and has not yet been scoped, the piece of work on the specific contract could be carried out immediately since all the information is available.
- 4.4 The normal format for pieces of work of this kind is for the Scrutiny Lead to hold an informal scrutiny session at which reports and documentation are considered and there is questioning of and discussion with officers. A report of this session is then prepared for submission to the Overview and Scrutiny Committee and the Scrutiny Lead has the opportunity to present this report. In this case, an informal scrutiny session could report back to Overview and Scrutiny Committee directly or it could feed into the overall reporting on the review of the Council's use of consultants and temporary staff. Given that the contract with Verve Communications expires on 31 July 2007, scrutiny input on future arrangements would optimally be made before this time.
- 4.5 Officers are therefore proposing that the informal scrutiny session on the communications contract be held by the Scrutiny Lead for Excellent Public Services in the coming weeks with a report back to Overview and Scrutiny Committee in April 2007.

## **5. Concurrent Report of the Assistant Chief Executive (Legal)**

- 5.1 Under Rule 1.3(i) of the Overview and Scrutiny Procedure Rules the Committee is charged with considering any matters relevant to the remit of the Committee required by a Committee member pursuant to Section 21(8) Local Government Act 2000.

- 5.2 Rule 1.3(c) requires the Committee to approve an annual overview and scrutiny work programme including the work programme of any scrutiny panels it appoints to ensure that there is efficient and effective use of the Committee's/ Panels' time.
- 5.3 Rule 9.1 enables any Committee Member to give notice to the Assistant Chief Executive that s/he wishes an item relevant to the function of the Committee to be included on the agenda for the next available meeting and provided the matter is relevant to the Committee's work programme, the Assistant Chief Executive shall ensure it is included.
- 5.4 Apart from compliance with the foregoing constitutional requirements there are no immediate legal implications arising from this report.

## **6. Comments of the Chief Financial Officer**

- 6.1 There would be no additional costs in undertaking this piece of scrutiny work, apart from the input of officer time.

## **7. Equal Opportunity Implications**

- 7.1 There are no direct equal opportunity implications.

## **8. Anti-Poverty Implications**

- 8.1 There are no direct anti-poverty implications.

## **9. Sustainable Action for a Greener Environment**

- 9.1 There are no specific issues relating to the environment raised in this report.

## **10. Risk Management**

- 10.1 There are no risk management issues raised by this report.