

# **MINUTES OF THE MEETING OF THE FINANCE & PERFORMANCE SCRUTINY PANEL HELD ON WEDNESDAY, 19TH OCTOBER, 2022**

**MEMBERS:** Councillors (Chair) Nawshad Ali, Sabri Ozaydin (Chief Whip), Mahym Bedekova, Julian Sampson, Alessandro Georgiou (Leader of the Opposition and the Conservative Group), Suna Hurman (Deputy Mayor) and Emma Supple

**Officers:** Fay Hammond (Executive Director Resources), James Newman (Director of Finance – Corporate), Michael Sprosson (Head of Procurement Services), Julie Barker (Head of Exchequer Services) and Jane Creer (Secretary)

**Also Attending:** Local press representative

## **1. WELCOME & APOLOGIES**

Cllr Nawshad Ali (Chair) welcomed everyone to the meeting. A new Member was welcomed onto the Panel: Cllr Alessandro Georgiou in place of Cllr James Hockney.

Apologies for absence were received from Cllr Paul Pratt, due to a clash of meetings, from Cllr Guney Dogan and from Cllr Esin Gunes. Cllr Pratt was substituted by Cllr Emma Supple. Cllr Gunes was substituted by Cllr Suna Hurman.

Apologies for lateness were received from Cllr Sabri Ozaydin.

Apologies for absence were received from the Cabinet Member for Finance and Procurement, Cllr Tim Leaver, and from the Cabinet Member for Social Housing, Cllr George Savva.

## **2. DECLARATIONS OF INTEREST**

There were no declarations of interest registered in respect of any items on the agenda.

## **3. MINUTES OF THE PREVIOUS MEETING**

AGREED the minutes of the meeting held on 20 July 2022.

## **4. PROCUREMENT UPDATE (TO INCLUDE UPDATE ON LEGISLATIVE CHANGES)**

RECEIVED the report of the Executive Director Resources, introduced by Michael Sprosson, Head of Procurement Services.

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NOTED

1. The background and approach to the recent restructure of the Council's Procurement Services was described.
2. Officers were continuing to monitor developments on the progress of the Procurement Bill through Parliament.
3. In response to Members' queries, it was confirmed that improvements in contract management within the Council were already apparent. There was a procurement microsite on the intranet with guidance and training: a link to this would be sent to Members for information ([Procurement - Home \(sharepoint.com\)](#)). The Panel would also be provided with a further update on contract management improvements in future as required as part of the future work programme.

**ACTION: Michael Sprosson**

4. In response to Members' further queries in respect of the restructured procurement function, it was advised that the category management model allowed a more strategic view and opportunities for collaboration and efficiencies. Michael Sprosson had conducted a skills audit and found that levels of officer expertise were satisfactory. There was continuing professional development to maintain skills, and monitoring by managers.
5. Officers confirmed the processes for local businesses wishing to bid to supply the council.
6. Members asked about the weighting given to social value when awarding contracts. Officers confirmed the thresholds of applicable contracts, and current weightings. Quality and price were foremost considerations in evaluation, and criteria were set out before going to tender.
7. Officers confirmed that they were prepared for the forthcoming national legislation changes. A joint London-wide response had been sent during the Green Paper consultation stage on the Procurement Bill.
8. Officers would be happy to arrange a presentation / training session for Members when the Procurement Bill was approaching royal assent.

**ACTION: Michael Sprosson**

### 5. COUNCIL PURCHASE CARDS : P-CARD PAYMENT MONITORING

RECEIVED the report of the Executive Director Resources, introduced by Julie Barker, Head of Exchequer Services, and James Newman, Director of Finance – Corporate.

NOTED

1. The Council's purchase cards (P-cards) were confirmed as a tool for small spend items, used mostly by frontline services. The internal audit of the P-card process in 2021, subsequent additional measures to improve the level of compliance, and the review undertaken in summer 2022 were described. The changes implemented would ensure improved compliance and controls going forward.
2. In response to Members' queries, it was confirmed that investigations were ongoing further to the 2021 audit report. Data was being analysed to

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detect trends. It was advised that fraud was rare as opposed to the norm. Having P-cards was a common practice in local authorities, managed in an appropriate way.

3. The table at para 3.8 in the report was based on transaction numbers, but officers would supply data on the spending amounts involved. Members also asked for information from the last three months, following introduction of the reforms, of actual spend per month by each directorate.

**ACTION: Julie Barker**

4. It was confirmed that within the pooled system it was registered by whom the P-card was used. There had been a challenging review of all cards in circulation. Non-compliance would now result in cards being suspended. Suspension after two consecutive months of non-compliance was appropriate as some cases related to an approver being on sickness or annual leave.
5. In response to Members' further queries, it was confirmed that non-compliance had been investigated. Approvers had given reassurance where payments were authorised and retrospectively approved.
6. Members asked about the transactions which were noted as not having been reviewed by the card holder. It was confirmed that investigation work was done by the counter fraud team, and further information for Members would be requested from that team.

**ACTION: Julie Barker**

7. It was confirmed that P-card usage in Enfield was similarly comparable to other London boroughs. Examples of frontline service use were described, and that there was no facility to take out cash on the cards.
8. It was advised that officers were looking at the card contract going forward and investigating alternatives to the current cards.

## 6. QUARTERLY MONITORING REPORTS

RECEIVED for information the quarterly monitoring reports (revenue, capital, and performance).

NOTED

1. Fay Hammond responded to Members' queries in respect of the profiled saving from the new CRM/CMS and need to be reprofiled to 2023/24.
2. James Newman responded to Members' queries in respect of closure of accounts.
3. Michael Sprosson responded to Members' queries in respect of challenging contract costs affected by inflation.
4. Officers responded to Members' comments regarding savings and income monitoring relating to Place Directorate, and on re-prioritisations in the Council's current capital programme.
5. Members raised concerning sickness absence trends. Appropriate officers would be asked to attend the next meeting of the Panel.

**ACTION: Fay Hammond**

6. It was acknowledged there were ongoing issues in relation to temporary accommodation, average sick days, and MEQs, which had also been

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discussed by Overview and Scrutiny Committee and General Purposes Committee.

### **7. WORK PROGRAMME 2022/23**

NOTED the work programme for the Panel.

The Chair recommended that items be included in existing meeting agendas rather than arranging an additional meeting.

A report from the counter fraud team was requested to be added to the next meeting agenda.

Fay Hammond advised that proposed items in relation to Adult Social Care funding reform and Fair Funding may need to be re-ordered, or presented as shorter items with the opportunity for them to be brought back to the Panel if there was further interest.

### **8. DATE OF NEXT MEETING**

The next meeting of the Panel was scheduled for Wednesday 11 January 2023.

The meeting ended at 9.10 pm.