

Resources and Governance Scrutiny Committee

Minutes of the meeting held on Thursday, 27 June 2024

Present:

Councillor Simcock (Chair) – in the Chair
Councillors Davies, Evans, Glover, Kilpatrick, Kirkpatrick and Richards

Also present:

Councillor Bridges, Deputy Leader
Councillor Akbar, Executive Member for Finance and Resources

Apologies: Councillors Connolly and Noor

RGSC/24/42 Minutes

Decision: That the minutes of the meeting held on 23 May 2024 be approved as a correct record.

RGSC/24/43 Elections Act and Recent Elections Progress Report

The committee considered a report of the Chief Executive which outlined the planning and governance arrangements for the implementation of the existing and the final duties of the Elections Act 2022 for Manchester. It also provided an overview of key lessons learned from the May 2024 local and mayoral elections, as well as initial preparation for the upcoming UK Parliamentary General Elections and other electoral administration statutory exercises.

Key points and themes within the report included:

- Providing an introduction and background to the Elections Act 2022;
- The changes that came into effect at the May 2023 local election and the May 2024 local and mayoral elections;
- Progress with voter ID, accessibility and online absent voting applications;
- Changes to postal vote handling rules and voting rights for British citizens living overseas and EU citizens;
- Community engagement and communications for 2024 elections;
- Governance and capacity;
- Lessons learned from the May 2024 elections for the General Election; and
- The polling district review and annual canvass, which would take place after the General Election.

Some of the key points and queries that arose from the committee's discussions included:

- Welcoming the planned improvements in communications at future counts;
- Noting that delays at the count in May were caused by the mayoral election, and querying why;

- Whether the Council could take any learning from European Parliamentary elections for future combined polls;
- The confidence of officers that the process for reapplying for a postal vote every 3 years would be improved;
- Delays to the government application portal;
- Expressing concerns that electors in some areas of the city did not receive postal vote packs until near to polling day;
- What personal and demographic information was recorded when a voter was turned away from a polling station due to lack of sufficient ID;
- What feedback had been received from the Manchester Disabled Persons Forum and whether any adaptation requests had been received which the Council was unable to accommodate;
- Concerns over conduct at polling stations in some areas of the city and at the count; and
- Querying why the count was scheduled around Friday prayers.

The City Solicitor introduced the report and stated that the Elections Act created additional challenges for the Council's Electoral Services Unit, particularly in polling stations as a result of the requirement for voters to produce ID. She stated that the team had met these challenges well but acknowledged there was always room for learning, such as better communication at the election count which would be rectified in future by using pre-prepared Tannoy announcements, and she reiterated that feedback from the local and mayoral elections in May 2024 had been noted to ensure a better experience at future counts.

The City Solicitor also highlighted changes to the eligibility criteria for overseas electors which had caused additional registration pressures. She expressed concern about the possibility of a high return of postal votes on polling day but provided assurances to the committee that officers were working with Royal Mail to ensure the timely turnaround and return of completed postal votes. She stated that communication was ongoing between Royal Mail and Greater Manchester Combined Authority (GMCA) to emphasise these concerns and there were also conversations being held with the Department for Levelling Up, Housing and Communities (DLUHC) and the Electoral Commission to highlight the importance of learning from previous elections.

The Deputy Leader took the opportunity to commend the work of the Electoral Services Unit and acknowledged members' interest in the elections and the challenges arising from the changes of the Elections Act.

In opening the discussion, the Chair highlighted how the government's introduction of voter ID had cost the Council £206k and that voter fraud was a largely non-existent issue.

In response to queries regarding delays at the local and mayoral count in May, the City Solicitor explained that GMCA was the lead authority for the mayoral election and wanted to ensure an accurate count and no variance for the combined election, which caused delays to Manchester's count of 32 wards. She acknowledged that this could have been better communicated to attendees and apologised. The Electoral Services Corporate Delivery Manager advised that there was a natural delay to

proceedings when providing verification figures to GMCA as they received figures from a number of other authorities, who were also verifying their figures at this time on the Friday, and again on the Saturday, when all 10 authorities were counting. She stated that candidates and agents had been advised that there would be a break in proceedings but that this was not initially expected to be as long as it was and that timely announcements would be made in future.

The Electoral Services Corporate Delivery Manager explained that the delivery of combined polls was not within the Council's control but she endeavoured to raise the comparison with European Parliamentary elections to the GMCA.

The City Solicitor recognised that there had been recent delays in postage and that Royal Mail had been challenged on this and concerns expressed to DLUHC and the Electoral Commission. She stated that priority had been given to the return postage of postal vote packs and emphasised that applying for a postal vote online was quicker than by post.

The Electoral Services Corporate Delivery Manager advised that the Elections Act had changed the requirement to reapply for a postal vote every 5 years to every 3 years. She explained that a reapplication would be handled in the same way as a postal vote refresh, with the Electoral Services Unit writing up to three times to those needing to reapply. She stated that there had been no issues with this process previously and expressed confidence that this would remain the case.

Delays with the government's application portal were acknowledged as challenging and more cumbersome to the Xpress system, which the Council used. Members were informed that improvements to the system had been delayed by the government as a result of the General Election being called but the Electoral Services Unit had increased their staffing capacity to accommodate changes to the system and a reserve bank of staff was available in the event of a high volume of applications being received. Assurances were provided that all applications received so far had been processed in the allocated timeframe without the need to call on additional members of staff.

In response to concern over some electors not receiving their postal vote packs in a timely manner, particularly in Baguley, the City Solicitor welcomed information on the specific areas of the city affected so that this could continue being flagged to Royal Mail. She stated that there was a general feeling that Royal Mail were aware of the need to change their processes and that communication had improved. Changes in postal vote handling which the Council was unable to influence or change were also highlighted, with electors now having to complete a form if they wished to hand their postal vote into a polling station.

It was confirmed that the data collected on electors who were turned away from polling stations for having insufficient identification did not distinguish by equality information.

The Elections and Electoral Registration Policy Officer stated that good feedback had been received from the Manchester Disabled Persons Forum following a meeting earlier in the month and that there had been no issues with required adaptations

during the local and mayoral elections. He stated that the Electoral Services Unit were looking into other adaptations that could be made and had hoped to implement these over the summer, but this would not be possible due to the General Election being called. Further feedback would be sought in autumn. It was also confirmed that all electors received a standard poll card, but this could be provided in large-print or braille format if required.

The City Solicitor recognised issues with the conduct of some individuals outside polling stations and at the count and provided assurances that the Electoral Services Unit had met with polling station inspectors (PSIs) and presiding officers from specific stations to undertake a lessons learned exercise. It was stated that there would be additional PSIs and polling station staff, including Urdu speakers, in certain stations for future elections. It was noted that there was a lack of consistency in the confidence of presiding officers to challenge unacceptable behaviour and members were informed that candidates and agents in the parliamentary election had received a 'Dos and Don'ts' sheet which outlined acceptable conduct and activity. Copies of this would be available in polling stations and it would be emphasised in training sessions for presiding officers. The City Solicitor also stated that Greater Manchester Police would be part of the Council's Command Hub and there would be a targeted police presence in certain areas on polling day.

In response to a query regarding why the count was paused to observe Friday prayers, the City Solicitor explained that there had been previous instances where the count started earlier to accommodate religious commitments. She stated, however, that this had been reviewed and would not happen again as reserve counters would be used to cover staff who needed to leave for religious reasons. She also highlighted that there were two prayer rooms available at the count venue for male and female worshippers.

In closing the item, the committee wished to place on record their thanks to the Electoral Services Unit for their hard work.

Decision:

That the report be noted.

RGSC/24/44 Contract Management System

The committee considered a report of the City Treasurer which detailed the recent launch of the Council's contract management system and how the Council managed major contracts.

Key points and themes within the report included:

- The background to the procurement of the contract management system, which was a 'software as a service' product from Atamis;
- The functions of the system and how these would be used to manage the Council's contracts;
- Main issues and next steps for implementation;

- How the rollout of the system would be promoted and the longer-term developments;
- How the Council had been strengthening the governance of major contracts; and
- Highlights of the Council's major contracts in the last quarter.

Some of the key points and queries that arose from the committee's discussion included:

- Noting that over 1,100 contracts had been added to the new system, and querying whether this was the majority of the Council's contracts;
- Who was responsible for monitoring contracts and what contingencies were in place if this person was unavailable;
- The driving force behind implementing this change;
- How officers would monitor whether the system was used to its full capacity;
- Noting that Atamis' user guide was substantial, and querying whether Council staff were expected to read this;
- What feedback had arisen from testing and how this had been addressed;
- How governance was built into the system;
- Who was responsible for contracts commissioned jointly by the Council and partners;
- Whether the new contract management system allowed for issues with capacity and skills to be flagged with a supplier, specifically referencing the Housing Maintenance and Repairs contract;
- How the benefits of implementing the system would be evaluated;
- What was meant by a call-off contract; and
- How much money the Council would save by implementing the new system.

In introducing the report, the City Treasurer stated that the Council spent a significant amount of money through its contracts and that the investment in a new contract management system allowed for greater efficiencies, with some benefits already being realised.

The Strategic Lead (Commissioning) stated that the implementation of a new contract management system was integral to ensuring compliance with upcoming procurement legislation and was critical to the future management of contracts. He acknowledged that this was a significant change, and that training had been provided to users in addition to user guides and ongoing support from the Integrated Commissioning team. The Procurement Programme Manager stated that the main motivation in implementing the new contract management system was to gain an overview of contracts and spend and that work was ongoing to ensure that the system met the requirements of all departments that managed contracts. She highlighted that the new system enabled the monitoring of spending and key performance indicators (KPIs).

Members were advised that over 400 members of staff were currently using the system with over 1000 contracts being migrated over. These constituted the majority of the Council's contracts, with 10% yet to be added to the system.

The Procurement Programme Manager explained that each contract had a designated manager and a senior responsible officer, who would both receive alerts when monitoring information needed to be uploaded. She also explained that the system had the functionality to generate a report on usage so gaps in skills and knowledge could be identified. An alert system was also in place to flag if a contract was not monitored in a certain amount of time.

In response to a query regarding what had driven the change, the Strategic Lead (Commissioning) explained that the driving force for the new system was the need for greater oversight of contractual performance at senior management level and for data collection. It was also critical for the Council to have a contract management system as upcoming procurement legislation would introduce requirements for greater transparency around contracts. The Council would be required to report on the performance and spend of contracts and a system was required to facilitate this. The Deputy Chief Executive reiterated the point made that this would ensure greater compliance with regulations and the Executive Member for Finance and Resources stated that a system which enabled savings and managed performance and risk was good for the city and its residents.

The Strategic Lead (Commissioning) explained that there had been significant engagement with directorates and that some users could generate reports on how the system was being used. Meetings were held quarterly with management teams to discuss contracts and spend and the system would be used to generate reports for these meetings. The Deputy Chief Executive and the City Treasurer were also championing the system within the Senior Management Team and provided quarterly reports to SMT on the Council's contract portfolio.

In response to a point raised by the Chair regarding Atamis' own user guide, the committee was informed that the Council had developed its own user guide for the system which consisted of less than 30 pages. A bespoke user guide had been created to tailor this to Manchester's system and other training resources were available, such as a recorded training session and a dedicated Teams channel for officers to raise questions or issues.

The Procurement Programme Manager advised that initial feedback included aspects that needed to be added to the system such as required fields and that this was addressed straightaway. There had not been any feedback that the system was difficult to use, which was positive, and assurances were provided that technical issues had been resolved.

In response to a query regarding how the system would improve governance, the Strategic Lead (Commissioning) highlighted a wider change as a result of new legislation that required the publication of procurement pipelines 18 months in advance. A pipeline module was being used within the new system and future contract commissions would be submitted with a field to confirm whether it constituted a key decision, which could improve operational planning and transparency to members and residents through the Register of Key Decisions. It was confirmed that April 2025 was the internal deadline that Integrated Commissioning and Procurement were working to publish procurement pipelines as

the legislation required that pipeline notes were published within 56 days of the start of the financial year.

Regarding contracts that were commissioned by both the Council and partners, the Strategic Lead (Commissioning) explained that all contracts over the value of £30k were to be entered into the contract management system.

In response to a specific query regarding the housing repairs and maintenance contract, the Strategic Lead (Commissioning) endeavoured to raise this with the Housing Services team. He stated that it was the responsibility of contract managers to manage the relationship with suppliers and that, as the system monitored KPIs, issues such as overdue jobs could be flagged. The Strategic Lead (Commissioning) also noted though that Atamis was not a case management system, which would be more appropriate for issues relating to specific jobs and cases. The Procurement Programme Manager also confirmed that risks could be assigned to contracts to be monitored.

The Strategic Lead (Commissioning) informed the committee that the contract management system had an annual cost of £80k, which included implementation fees. He stated that it was difficult to ascribe financial savings to the rollout of the system but endeavoured to report back to the committee early next year on the use of the system, risks and key metrics.

Members were advised that a call-off contract referred to any contract entered into with an organisation from a framework of pre-approved suppliers.

The Executive Member for Finance and Resources stated that cost benefits would be dependent on the wider Council budget and funding settlements from government. He stated that the system would lead to benefits through greater efficiencies and service delivery. The City Treasurer also highlighted the advantage of increased visibility of contracts and the ability to be proactive in contract renewals.

Decision:

That the report be noted.

RGSC/24/45 Social Value and Ethical Procurement

The committee considered a report of the City Treasurer which detailed the additional flexibilities provided for in the Procurement Act 2023 to support the Council's work to drive social value creation through its contracts, and how these flexibilities might be applied to future contract opportunities within the Council.

Key points and themes within the report included:

- Providing an introduction and background to the Council's procurement process and social value;
- The new Procurement Act 2023 and the main issues and changes this will have on social value and ethical procurement;
- How the Council was preparing for the new legislation; and

- The next phase for social value in Manchester.

Some of the key points and queries that arose from the committee's discussion included:

- How the Council ensured that priority groups benefitted through invitations to tender and social value;
- How much emphasis was placed on value-for-money in the new legislation;
- How ethical considerations were taken into account through procurement; and
- Whether a supplier could challenge the Council applying equality, diversity and inclusion reporting requirements to contracts following advice against this in the Procurement Act 2023 policy statement.

In response to queries, the Strategic Lead (Commissioning) explained that work had been undertaken with services to refine the asks around social value when going out to tender, including how suppliers would target priority groups and the specific commitments and KPIs that they could provide. Responses to these questions were then scored as part of the contract award process.

The Strategic Lead (Commissioning) recognised the importance of value-for-money when awarding contracts but stated that there had been a change in language used to avoid fixating on price. He explained that the Procurement Act 2023 reaffirmed value-for-money as a key priority but stated that the Council had always interpreted value-for-money to include social value.

In response to a question regarding ethical considerations, the committee was advised that the Council was bound by the Local Government Act 1988 but there had been examples of where the Council was able to consider the ethical value of contracts, such as with Russian suppliers following the invasion of Ukraine.

The Strategic Lead (Commissioning) explained that the Procurement Act 2023 was the first example of national government outlining policy priorities for local authorities to statutorily consider through procurement and he stated that the Council took a pragmatic approach to this. He stated that the Council would comply with the law whilst remaining proportionate and mindful of longstanding inequalities within the city that could be improved through social value.

Decision:

That the report be noted.

RGSC/24/46 Overview Report

The committee received a report of the Governance and Scrutiny Support Unit which provided details of key decisions that fell within the Committee's remit and any items for information previously requested by the Committee.

The Chair advised members that a report on the Our Town Hall project would be deferred to September to allow for a more substantial report to be submitted.

Decision: That the report be noted.

RGSC/24/47 Exclusion of Press and Public

Decision:

That the press and public be excluded during consideration of the following item which involved consideration of exempt information relating to the financial and business affairs of particular persons and the public interest in maintaining the exemption outweighed the public interest in disclosing the information.

RGSC/24/48 Appendix 1 to Contract Management System report

The committee considered a confidential appendix to the Contract Management System report, which was a contractual document that demonstrated an example of how social value was delivered through a contract.

The committee also received a demonstration of the contract management system and the Chair suggested that an additional demonstration be provided outside of the meeting for all members.

In response to a query regarding how members could receive information on certain contracts, the Strategic Lead (Commissioning) explained that the Social Value Governance Board was looking into ways to link with members, residents and voluntary, community and social enterprise (VCSE) organisations.

Members were advised that social value was promoted through reports to the committee and that a series of case studies were being developed to highlight this work.

Decision:

That the appendix and demonstration be noted.