

Meeting: Place Select Committee

Date: Wednesday 11 December 2024 (commencing at 10:30 am)

Membership:**County Councillors**

Mike Adams (Chairman)
Tom Hollis (Vice-Chairman)

Matt Barney
Richard Butler
Anne Callaghan BEM
Penny Gowland
Kane Oliver
John Ogle

Mrs Sue Saddington
Roger Upton **Apologies**
Elizabeth Williamson **Apologies**

Substitute Members

None

Other County Councillors in attendance

Councillor Scott Carlton - Cabinet Member for Communities and Public Health
Councillor John Cottee - Deputy Cabinet Member for Transport and Environment

Officers and colleagues in attendance:

Martin Elliott	Senior Scrutiny Officer
Kaj Ghattaora	Group Manager - Procurement & Contract Management
Derek Higton	Executive Director – Place
Gareth Johnson	Traffic Manager
Dom Monahan	Advanced Democratic Services Officer
Mark Walker	Interim Service Director - Place and Communities

1. MINUTES OF THE LAST MEETING

The minutes of the last meeting held on 18 September 2024, having been circulated previously, were confirmed as correct and signed by the Chairman.

2. APOLOGIES FOR ABSENCE

Apologies were received from Councillor Elizabeth Williamson (other reasons) and Councillor Roger Upton (other reasons).

3. DECLARATIONS OF INTEREST

There were no declarations of interest.

4. PROCUREMENT EXERCISE UPDATE FOR THE CATERING AND FACILITIES MANAGEMENT SERVICE

Councillor Scott Carlton - Cabinet Member for Communities and Public Health, Derek Higon - Executive Director - Place, and Mark Walker - Interim Service Director - Place and Communities attended the meeting to present a report that detailed the progress that was being made on the Procurement Exercise for the Catering and Facilities Management Service. Kaj Ghattaora - Group Manager, Procurement and Contracts Management also was also in attendance for this item.

It was noted that in order to ensure a flexible and responsive approach, key commercial parameters for the detailed design and delivery of the procurement process had been determined by the Executive Director, Place in consultation with the Cabinet Member for Communities and Public Health. It was reported that work was being prioritised so that any new partnership could commence in Spring 2025 with a view to the partnership being fully operational for the 2025/26 academic year.

The Committee noted that the procurement exercise had commenced on 2 August 2024 with the deadline for initial submissions on 2 September 2024. Following evaluation of the submissions, a small number of credible and experienced bidders were shortlisted to participate in competitive dialogue. It was reported that the competitive dialogue process started on 4 October 2024 and ran until 26 November 2024, with 15 sessions with each bidder.

It was reported that on 27 November 2024, the bidders had been invited to submit final tenders, with a deadline, which had been moved to accommodate additional dialogue sessions, of 24 December. The Committee noted that the final submissions would be evaluated at the start of January 2025. It was reported that the outcome of the procurement exercise would be reported back to the Cabinet meeting in February 2025, for formal consideration and decision. This would include any proposed future operating model for the services involved, and the partner or partners that the process had identified as being the most suitable for the Council, by reference to tender criteria.

It was reported that a key requirement in determining the appropriate partner was the need to reduce/eliminate the financial risk to the Council. It was noted that this could be achieved with a partner through cost efficiencies, reduced overheads, and improved performance. The Committee noted that it was important for potential partners to demonstrate that they were able to develop a commercially sustainable model in the short, medium, and longer term.

It was noted that the Council would retain an ongoing interest in, and influence over, the operation of the partnership through appropriate commercial and governance documentation. The Council would also retain an ongoing interest in setting up any arrangements, allowing input on key strategic decisions, such as school meal

pricing, quality, and Meals at Home. The Committee noted that the Council would also expect to have an appropriate presence on the Board of Directors.

In discussion that followed, Members raised the following points and questions.

- Further information was requested regarding the continuity of service quality as part of the procurement exercise.
- Further information was requested on the meaning of partners with a 'public sector ethos'.
- Whether it was realistic to expect partners to deliver a high-quality service, at a profit, when the current contract was delivering a £2.7m deficit per-year.
- Would there be any break clauses placed into the contract if there was a successful bidder.
- Whether Trade Unions had been involved in the procurement process.
- Whether existing employees would continue their membership of the Local Government Pension Scheme.
- The Vice-Chairman noted that in their view that £2.7m was a reasonable loss for the Council to accept, to continue providing such a high-quality service.

In response to the points and questions raised by members, the Cabinet Member for Communities and Public Health and officers provided the following responses:

- Service quality and continuity would be factored into the school's contract. There would be opportunities for the joint-venture partner to engage with schools in order to ensure continuity from the first day of the new service delivery.
- It was noted that 'public sector ethos' referred to operators that understood the social value and wider benefits of providing a high-quality service.
- Potential partners would be able to deliver an even more efficient service by benefitting from quantities of scale. It was noted that if there were no bids that could deliver a high-quality service, then the backup option was to continue the Catering and Facilities Management Service in its current form.
- When creating any potential contracts, standard break clauses would be included.
- Updates for the Trade Unions had been provided through the Joint Consultative and Negotiating Panel. Trade Union colleagues had been engaged in the scrutiny review and the redesign process and had also been involved in the dialogue sessions around workforce proposals and pensions. It was noted that further briefings had been provided to schools through the Early Years and Schools Forum and the Primary Education and Trust Board.

- Potential partners were expected to fully adhere to the Transfer of Undertakings (Protection of Employment) Regulations, admitted body status to the Local Government Pension Scheme and to commit to the ongoing development of the workforce.
- It was reported that a smooth transfer and assurances for existing staff, including the Local Government Pension Scheme was a key requirement in determining the appropriate partner.

The Chairman thanked the Cabinet Member for Communities and Public Health, the Executive Director - Place, Interim Director of Place and Communities, and the Group Manager of Procurement and Contracts Management for attending the meeting and answering members' questions.

RESOLVED 2024/16

- 1) That the considerations and comments of the Place Select Committee on the progress that has been made on the procurement exercise that is being carried out in order to identify a suitable partner for the delivery of the Catering and Facilities Management Service be noted.
- 2) That the following issues raised by the Committee in its consideration of the report be progressed:
 - a) That on a date to be agreed by the Chairman of the committee and in consultation with officers, members of Place Select Committee receive a briefing on the outcomes of the procurement exercise in advance of the report being considered by Cabinet.

5. NOTTINGHAMSHIRE COUNTY COUNCIL LANE RENTAL SCHEME

Councillor John Cottee – Deputy Cabinet Member for Transport and Environment, and Gareth Johnson, Traffic Manager attended the meeting to present a report that detailed proposals for a Nottinghamshire County Council Lane Rental Scheme.

The Committee noted that the benefits of a lane rental scheme came from the significant financial disincentive for utility companies to undertake works on the identified lane rental network during the designated times of operation. It was reported that the financial disincentive of a lane rental scheme was a charge of up to £2,500 per-day. The Transport Manager informed the Committee that councils had been able to apply to the Secretary of State to introduce Lane Rental Schemes since 2018 and that so far, there were only four active schemes in England.

It was reported that monies collected from lane rental charges in the proposed scheme could be used to recover actual costs incurred by the Council to administer the scheme. It was noted that any surplus revenue should be applied to investment within areas of network and congestion management. Members of the Committee noted that if the Council was successful in its bid to implement a Lane Rental

Scheme, there would be a clear and open policy on the allocation of surplus money that would be developed in collaboration with the utility companies.

The Transport Manager informed the Committee that as the scheme would apply to all works on the identified network, careful consideration was being given on how this would impact upon schemes delivered by Via East Midlands on behalf of the Authority. It was noted that as the Council was already tasked wherever possible with reducing traffic impacts, and that works were already planned with high levels of detail to mitigate against causing any undue congestion.

It was reported that the Council was currently working with an external consultant on identifying the most congested roads across Nottinghamshire based on recent historical data. This work had been complicated by the significant changes to traffic flow caused by the pandemic which had led to two of the most recent years not reflecting typical traffic flows. It was expected that a feasibility study with a base map would be available late in 2024/early 2025.

The Transport Manager informed the Committee that the next steps in the development of a scheme were to consider the feasibility study in detail and to determine whether to start formal consultation with all utilities and other affected parties. This would be a comprehensive process as in the event of a bid for approval, the Council would need to demonstrate to the Secretary of State that it had actively considered all objections and other comments received. It was reported that, at this stage, the expectation was that the earliest likely bid date would be in the spring/summer of 2025 and that a lane rental scheme would not be introduced until 2026 at the earliest.

In the discussion that followed, Members raised the following points and questions:

- Concerns that busy roads in rural areas of the County could be overlooked by this scheme.
- Whether a lane rental scheme would encourage utilities companies to collaborate, and conduct works at the same time and did the Council inspect reinstatement works carried out by utility companies.
- Could the Council have applied for a Lane Rental Scheme in 2018 when they had first been introduced by the government.
- What had been the cost to the Council of working with an external consultant on identifying the most congested streets from recent historical data.
- Was there a risk that an unexpected consequence of this scheme would be that utility companies began to carry out more works on roads not covered by the scheme during daytime hours.
- Would the money recovered by this scheme be reinvested in to resurfacing roads in the County.

In relation to the points raised by members, the Deputy Cabinet Member for Transport and Environment and officers provided the following responses:

- Only around 10% of the County's roads could be covered by the scheme. The Council was currently working with an external consultant on identifying the most congested roads from recent historical data, these would be mostly 'A' roads. Roads in more urban areas of the County would not be prioritised. Councillors were invited to inform the Traffic Manager of any particular roads of concern.
- The Council had a team of reinstatement inspectors who inspected works carried out by utility companies. Some works were temporary for a period of up to six months. Long term reinstatements had a guarantee of two years, and the Council could request for problems to be rectified if the reinstatement works significantly deteriorated within this period. It was noted that in some circumstances the Council could also issue Section 58 notices which protected roads for up to five-years from having non-emergency works carried out on them.
- Utility companies were already encouraged to carry out works at the same time. It was expected that the financial disincentives from a lane rental scheme would present an additional reason for utility companies to work together and minimise roadworks.
- The Secretary of State's approval of any lane rental scheme bid was subject to the authority being able to demonstrate that it had a well-run Permit Scheme for managing all streetworks. Nottinghamshire County Council commenced a Permit Scheme in April 2020 and had recently completed a review of the third year of operation. The Committee noted that the review of the initial three years of the Permit Scheme had concluded that the Council operated an effective scheme which had delivered tangible benefits to all road users since commencement.
- Information on the costs incurred by the Council in using an external consultant to identify the most congested roads across Nottinghamshire would be circulated with members of the Committee.
- It was noted that the four local authorities that had already implemented a lane rental scheme had not reported that utility companies had begun to out more works on roads not covered by the scheme during daytime hours.
- If the scheme was approved, the scheme's board would determine where surplus revenue collected by the scheme was spent. It was noted that a significant portion of this would be spent on resurfacing roads in the County.

The Chairman thanked the Deputy Cabinet Member for Transport and Environment, and the Traffic Manager for attending the meeting and answering Members' questions.

RESOLVED 2024/17

- 1) That the considerations and comments of the Place Select Committee on the work that is being carried out to develop and consult upon a proposed lane rental scheme for Nottinghamshire be noted.
- 2) That the following issues raised by the Committee in its consideration of the report be progressed:
 - a) That information on the costs incurred by the Council in using an external consultant to identify the most congested roads across Nottinghamshire as part of the activity being carried out to develop a lane rental scheme is circulated to the members of the Place Select Committee.
 - b) That the Chairman, in consultation with officers, considers to how best share members considerations on the scope and remit of lane rental schemes with the Department for Transport.

6. WORK PROGRAMME

Consideration was given to an updated outline programme of scrutiny work for the 2024/2025 Municipal Year.

A councillor proposed that the following two items were added to the work programme:

- Changes to the HWRC network
- Bus service improvement plans

RESOLVED 2024/18

- 1) That the Work Programme be noted.
- 2) That the following items be considered for inclusion on the Work Programme:
 - Changes to the HWRC network
 - Bus service improvement plans
- 3) That Committee Members make any further suggestions for consideration by the Chairman and Vice-Chairman for inclusion on the work programme, in consultation with the relevant Cabinet Member(s) and senior officers, and subject to the required approval by the Chairman of Overview Committee.

The meeting closed at 12:12pm.

CHAIRMAN