

Item No: 1	Classification: OPEN	Date: 29 MARCH 2005	Meeting Name: OVERVIEW & SCRUTINY COMMITTEE
Report Title:		Call-In: Executive decision of 8 March 2005 in respect of Item 15 "Gateway 1 – Procurement Strategy Approval Integrated Waste Management Solutions Programme – Waste PFI Contract Procurement"	
Ward(s) or Group affected:		All Wards	
From:		Head of Overview & Scrutiny	

RECOMMENDATION

1. That Overview & Scrutiny Committee considers a call-in request relating to the key decision taken by the Executive on 8 March 2005 in respect of Item 15 "Gateway 1 – Procurement Strategy Approval Integrated Waste Management Solutions Programme – Waste PFI Contract Procurement".

BACKGROUND INFORMATION

2. On 8 March 2005 the Executive approved a procurement strategy and necessary processes in respect of an integrated waste management contract.
3. Previous reports to the Executive had outlined options for procuring a services contract to replace the existing waste collection and disposal services with a view to ensuring the Council could meet its obligations under the Waste and Emissions Trading Act (2003) through development of sustainable waste management. The Act imposes financial penalties for failure to meet key targets relating to diversion of waste from landfill.
4. The tender management protocol proposed for procurement is the Council's Strategic Procurement Protocol, in line with PFI procurement guidance.
5. In addition, the Executive previously approved a bid for Private Finance Initiative credits to help fund an integrated waste management contract.
6. On 17 March 2005 the Chair of Overview & Scrutiny Committee - Councillor Kim Humphreys - and three members of the Committee (Councillors Barrie Hargrove,, Billy Kayada and Andy Simmons) requested call-in of this decision [Appendix B]. The reasons given for the call-in request were as follows:

"Reason for call-in – so that the Draft Output Specification, Performance Framework, Payment Mechanism and Contract Agreement can be considered before the contract is advertised. In meeting this task OSC will require reference to the Outline Business Care.

Alternative course of action – dependent upon evidence heard at the call-in, but scrutiny will need to be satisfied the contractual process is sound before it goes outside, as future delays could be costly to this authority”.

7. The following documents are appended to this report, i.e.
 - Appendix A: Executive report [Item 15, 8 March 2005];
 - Appendix B: Minutes of Executive meeting 8 March 2005;
8. The Outline Business Care referred to in the call-in request is contained within the closed papers for this meeting. The papers are not for publication by virtue of categories 8 & 9 of paragraph 10.4 of Southwark Council’s Access to Information Procedure Rules.

KEY ISSUES FOR CONSIDERATION

9. Requests for call-in should normally only be made if there is evidence that the Executive did not take a decision in accordance with the principles of decision making as set out in the Constitution:
 - Proportionality (i.e. the action must be proportionate to the outcome);
 - Due consultation and the taking of professional advice from Officers;
 - Respect for human rights;
 - Presumption in favour of openness;
 - Clarity of aims and desired outcomes;
 - The link between strategy and implementation must be maintained;

Decision-making generally, whether by individual Officers, individual Executive Members or the Executive collectively, should have reference to the policy framework and be in accordance with the budget.

10. The Overview and Scrutiny Procedure Rules require the Committee to consider any call-in request and in particular whether or not the decision might be contrary to the policy framework or not wholly in accordance with the budget. Advice should be sought from appropriate Chief Officers including the Monitoring Officer and the Chief Finance Officer.
11. If, having considered the decision and all relevant advice, the Overview & Scrutiny Committee is still concerned about it, then it may either:
 - refer it back to the decision-making body *[or officer to whom responsibility for that decision was delegated]* for reconsideration, setting out in writing the nature of its concerns; or

- refer the matter to Council Assembly if the decision is deemed to be outside the policy and budget framework.

12. The Executive Member with relevant portfolio responsibilities has been advised of this meeting.

LEGAL & FINANCIAL IMPLICATIONS

13. Rule 18.6 of the Overview and Scrutiny Procedure Rules requires a call-in request to be signed by the Chair or Vice-Chair of the Overview and Scrutiny Committee plus three members of the Committee; the call-in request has been validly made in accordance with this rule. Rule 18.2 which sets out the circumstances in which call-in requests should normally be made is reflected in paragraph 5 of this report. The decision of the Executive is not contrary to the policy framework and accords with the budget.

BACKGROUND DOCUMENTS

Background Papers	Held at	Contact
Executive Agenda, Reports and Minutes	Constitutional Team Town Hall, Peckham Road, London SE5 8UB	Everton Roberts Tel: 0207 525 7221
Record of key decisions taken under delegated authority	Constitutional Team Town Hall, Peckham Road, London SE5 8UB	Ian Millichap Tel: 0207 525 7225

AUDIT TRAIL

Lead Officer	Shelley Burke, Head of Overview & Scrutiny	
Report Author	Lucas Lundgren, Scrutiny Project Manager	
Version	Final	
Dated	18 March 2005	
Key Decision ?	Yes	
CONSULTATION WITH OTHER OFFICERS/DIRECTORATES/EXECUTIVE MEMBERS		
Officer Title	Comments Sought	Comments Included
Borough Solicitor & Secretary	No	-
Chief Finance Officer	No	-
Executive Member	No	-