

North Tyneside Council

Report to Cabinet

Date: 2 August 2021

Title: Cabinet Response to Overview, Scrutiny and Policy Development Committee report on the study into the Equans (formerly known as Engie) Partnership

Portfolio(s): Finance and Resources Deputy Mayor	Cabinet Member(s): Cllr M Rankin Cllr C Johnson
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**Report from
Service Area:**

Resources

Responsible Officer:

Janice Gillespie, Director of Resources

Tel: 643 5701

Wards affected:

All

PART 1

1.1 Executive Summary:

The purpose of this report is to consider Cabinet's response to the recommendations of the Overview, Scrutiny and Policy Development Committee study into the Equans (formerly known as Engie) Partnership.

The recommendations are set out in paragraph 1.5.4 below.

In accordance with section 9F of Part 1A of the Local Government Act 2000, Cabinet is required to provide a response to the recommendations of the Overview, Scrutiny and Policy Development Committee within two months. In providing this response Cabinet is asked to state whether or not it accepts each recommendation and the reasons for this decision. Cabinet must also indicate what action, if any, it proposes to take.

1.2 Recommendation(s):

It is recommended that Cabinet:

- 1) agrees to the recommendations as set out in paragraph 1.5.4, and
- 2) agrees to the actions as set out in Appendix 1 and Appendix 2.

1.3 Forward Plan:

The report was included in the Forward Plan published in March 2021 under the heading "Matters arising from Overview, Scrutiny and Policy Development Committee and its sub-committees".

1.4 Council Plan and Policy Framework

The report relates to the following priority in the 2020/2024 Our North Tyneside Plan:

Our Economy will:

- be dynamic and more inclusive, which will ensure that all residents have a stake in our region's future

1.5 Information:

1.5.1 Background

1.5.2 Overview, Scrutiny & Policy Development Committee has a programme to undertake in-depth reviews into the out-sourced partnerships that deliver services on behalf of the Authority, with the aim to see if the Authority and its residents are receiving the service specified in the contracts. The Committee established the Equans Sub-group to undertake this work to gain a clearer understanding of the partnership and its operation.

1.5.3 Continuing the policy to encourage cross party/committee involvement in scrutiny, an invitation was made to all Non-Executive Members of the Council to be part of the sub-group and the sub-group met on 10 occasions, where it received information from senior lead officers of the Council and its Equans Partners for each of the contract workstreams.

1.5.4 The Sub-Group has made a total of 3 recommendations for Cabinet's consideration:

- 1) In its benchmarking activity pay particular attention to the strategic aspects of service delivery of the partnership.
- 2) Following benchmarking testing, it believes if the Partner is not providing value for money it should consider amending the contract to assure best value and/or investigate all options to in-source parts/all services.
- 3) The group feels that as and when legally possible and at the best and earliest opportunity that these services should be returned and insourced to the local authority.

1.5.5 It is proposed that Cabinet accepts all the recommendations and a full response and associated action to those recommendations set out at Appendix 1

1.6 Decision options:

The following decision options are available for consideration by Cabinet:

Option 1

Cabinet may accept the recommendation set out in paragraph 1.2 above

Option 2

Cabinet may not accept the recommendations set out in paragraph 1.2 above and provides a response to the Overview, Scrutiny and Policy Development Committee at the meeting.

Option 3

Cabinet may accept part of the recommendation as set out in paragraph 1.2 above

Option 1 is the recommended option.

1.7 Reasons for recommended option:

Cabinet has a statutory duty to respond to the Overview, Scrutiny and Policy Development Committee's recommendations within 2 months of receiving them. Option 1 is recommended as this option allows Cabinet to consider and formulate a response to the recommendations

1.8 Appendices:

Appendix 1 Action Plan Equans (formerly Engie) Sub-Group Report.

Appendix 2: Overview, Scrutiny and Policy Development Committee Report - study into the Engie Partnership.

The following background papers/information have been used in the compilation of this report and are available at the office of the author:

Presentations relating to each workstream:

- ICT
- Finance
- Human Resources
- Revenue and Benefits Services
- Customer Service

PART 2 – COMPLIANCE WITH PRINCIPLES OF DECISION MAKING

2.1 Finance and other resources

The financial implications associated with each recommendation will be included in Cabinet's response to this report.

2.2 Legal

There are no legal implications at this stage.

2.3 Consultation/community engagement

2.3.1 Internal Consultation

The Sub-Group met with Lead officers with the Authority and its Equans Partner who had direct responsibility to the delivery of workstreams within the partnership contract.

2.3.2 External Consultation/Engagement

There were no external consultation/engagement.

2.4 Human rights

There are no direct issues relating to human rights arising from this report.

2.5 Equalities and diversity

There are no direct issues relating to equalities and diversity arising from this report.

2.6 Risk management

There are no direct issues relating to risk arising from this report.

2.7 Crime and disorder

There are no direct issues relating to crime and disorder arising from this report.

2.8 Environment and sustainability

There are no direct issues relating to environment and sustainability arising from this report.

PART 3 - SIGN OFF

- Chief Executive
- Director(s) of Service
- Mayor/Cabinet Member(s)
- Chief Finance Officer
- Monitoring Officer
- Assistant Chief Executive