

BOLSOVER DISTRICT COUNCIL

SCRUTINY PROJECT MANAGEMENT – REVIEW SCOPE

NAME OF COMMITTEE:	Growth Scrutiny Committee
SUBJECT TO BE REVIEWED:	Review of the relationship between Bolsover District Council and Robert Woodhead Ltd (RWL)
REASON(S) FOR THE REVIEW:	Clarification sought on the Value for Money of the contracts in place; procurement processes followed; consideration given to the potential financial risks to the authority; the current working relationship and monitoring/governance processes in place; and the process for regular review.
IDENTIFY APPROPRIATE CORPORATE PLAN AIMS, PRIORITIES AND TARGETS:	<p>CORPORATE PLAN AIM –</p> <ul style="list-style-type: none">• Economy <p>PRIORITIES –</p> <ul style="list-style-type: none">• Enabling Housing Growth: increasing the supply, quality and range of housing to meet the needs of the growing population and support economic growth <p>TARGETS –</p> <ul style="list-style-type: none">• ECO.05 - Annually review housing delivery in the district and facilitate delivery to meet the annual target of 272 new homes.• ECO.07 - Deliver 150 new homes through the Bolsover Homes Programme by March 2024.
DIRECTORATE/SERVICES INVOLVED:	Development Directorate Property Services Housing Corporate Resources Directorate Procurement Legal
AIMS AND OBJECTIVES OF REVIEW:	<p>Aim: To ensure the contracts entered in to remain beneficial to the Council, provide value for money with adequate risk plans and governance frameworks agreed.</p> <p>Objectives:</p> <ul style="list-style-type: none">• Analysis of the procurement process for existing contracts with RWL.• Analysis of the set-up process for Dragonfly Developments, the joint venture company• Evaluation of current relationship with RWL in relation to Dragonfly Developments including governance structure, communications, and how Scrutiny is engaged.

	<ul style="list-style-type: none"> • Evaluation of governance and monitoring arrangements for Bolsover Homes framework and how Scrutiny is engaged. • Analysis of Value for Money for BDC investment in current contracts. • Investigation of how the Council ensures the wider contract achieves relevant growth benefits, including the economic, social and environmental impact of the contract and monitoring of said benefits.
<p>KEY ISSUES:</p>	<p>Review to include an evaluation of the governance arrangements and risks of the joint venture company, Dragonfly Developments Ltd, and the Bolsover Homes framework contract.</p> <p>The reasons for using a JVC and the options explored at the time, and whether this is still relevant.</p> <p>The potential financial risks to the authority by holding more than one large scale contract with the same provider.</p> <p>The procurement process leading to the decision to partner with RWL in both instances.</p> <p>Members wish to ensure that the Value for Money achieved from all contracts with RWL, including the previous B@Home contract, meets expectations.</p> <p>Commitments made by BDC in relation to the current contracts with RWL, monetary and other resource, and any guarantees made by BDC.</p> <p>The Bolsover Homes tender is one of the largest financial transactions Bolsover District Council has conducted.</p> <p>Ensuring achievement of the desired benefits to the area including training commitments, use of local supply chain, environmental/sustainability commitments and innovation in development and design.</p> <p>Potential outcomes include: Exploration of the financial risks of the arrangements with Robert Woodhead Ltd to see if they are appropriate and whether steps need to be taken to mitigate such risks and whether the contractual arrangements achieve value for money. Recommendations may be made on how the joint venture and framework should operate in future years.</p>
<p>METHOD(S) OF REVIEW:</p>	<p>Written report to committee/ attendance by key officers and Portfolio Holders at Committee.</p> <p>Review of key documents related to procurement of contracts.</p> <p>Comparison with neighbouring authorities also using RWL, in terms of unit price on tendering Vs unit price on framework – <i>authorities to be determined.</i></p>

<p>IMPLICATIONS: (legislative, regulatory, etc)</p>	<p>Potential financial risk, regulations relating to the Council's investments.</p> <p>All existing contracts need to have complied with relevant procurement regulations.</p> <p>The JVC – Dragonfly Developments – must comply with the relevant legislation/regulations relating to such a company.</p>
<p>DOCUMENTARY EVIDENCE: (Internal/External)</p>	<p>Procurement documents for current RWL contracts including ITT submissions.</p> <p>Financial performance data.</p> <p>Contract Framework documents</p> <p>Historic reports to Executive and Council</p>
<p>STAKEHOLDERS:</p>	<p>*RELEVANT PORTFOLIO HOLDER MUST BE INVOLVED IN THE REVIEW</p> <p>Portfolio Holder – Economic Development Portfolio Holder – Housing & Community Safety Director of Development Assistance Director of Development Head of Property Services & Housing Repairs Head of Finance & Resources Procurement Team</p> <p>Neighbouring authorities – <i>to be determined</i></p>
<p>CONSULTATION/ RESEARCH:</p>	<p>Comparison to neighbouring areas also using RWL for similar contracts – <i>to be determined</i></p> <p>Comparison to neighbouring areas using a JVC – <i>to be determined</i></p>
<p>SITE VISITS:</p>	<p>None identified.</p>

TIMESCALE	ESTIMATED	REVISED	ACTUAL
Commencement	November 2020		
Interim Report/ Recommendations			
Finish (Report to Committee)			
Report to Executive			

DRAFT

SCRUTINY REVIEW OUTCOMES

CONCLUSIONS:	
RECOMMENDATIONS:	
DRAFT REPORT SENT TO DIRECTOR & ANY RELEVANT OFFICERS FOR COMMENT:	*DATE AND OFFICERS RESPONDING
DATE DRAFT REPORT CONSIDERED BY PORTFOLIO HOLDER:	
DATE SIGNED OFF BY COMMITTEE/CHAIR:	
DATE CONSIDERED BY EXECUTIVE:	
DATE OF EXECUTIVE RESPONSE TO COMMITTEE:	
POST-SCRUTINY MONITORING PERIOD:	
DATE OF EVALUATION OF PROCESS:	