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COUNCIL

WEDNESDAY, 29TH JANUARY, 2020, 6.00 PM

SHIELD ROOM, CIVIC CENTRE, WEST PADDOCK, LEYLAND, PR25
1DH

AGENDA

- | | |
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| <p>1 Apologies for absence</p> <p>2 Declarations of Interest</p> <p>3 Minutes of meeting Wednesday, 27 November 2019 of Council</p> <p>Minutes of the Council meeting held on 27 November 2019 for signing by the Mayor.</p> <p>4 Mayoral Announcements</p> <p>5 Cabinet</p> <p>To receive and consider the report of the Cabinet held on 22 January 2020 to follow.</p> <p>6 Governance Committee</p> <p>To receive and consider the report of the Governance Committee held on 26 November 2019 attached.</p> <p>7 Scrutiny Committee</p> <p>To receive and consider a report of the Scrutiny Committee meeting held on 23 January 2020 to follow.</p> <p>8 Standards Committee</p> <p>To receive and consider the report of the Standards Committee held 21 January 2020 to follow.</p> <p>9 Approval of the Council Tax Support Scheme to be adopted for 2020/21</p> <p>Report of the Director of Customer and Digital attached.</p> <p>10 Contract Procedure Rules</p> <p>Report of the Shared Services Lead – Legal attached.</p> | <p>(Pages 5 - 16)</p> <p>(Pages 17 - 20)</p> <p>(Pages 21 - 40)</p> <p>(Pages 41 - 92)</p> |
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11 Nomination of Mayor Elect and Deputy Mayor Elect 2020/21

Report of the Assistant Director of Scrutiny and Democratic Services to follow following nominations being considered at Cabinet on Wednesday 22 January 2020.

12 Amendments to Committee Appointments

(Pages 93 - 96)

Report of the Assistant Director of Scrutiny and Democratic Services attached.

13 Member Development Update

14 Questions to the Leader of the Council

15 Questions to Members of the Cabinet

16 Questions to Chairs of Committees and My Neighbourhood Areas

17 Questions to Member Champions and Representatives on Outside Bodies

18 Exclusion of Press and Public

To consider the exclusion of the press and public for the following items of business on the ground that it involves the likely disclosure of exempt information as defined in Paragraph(s) 3 and 5 of Part 1 of Schedule 12A to the Local Government Act 1972.

Paragraph 3: Information relating to the financial or business affairs of any particular person (including the authority holding that information)

Paragraph 5: Information in respect of which a claim to legal professional privilege could be maintained in legal proceedings

19 Future of City Deal

(Pages 97 - 104)

Report of the Director of Planning and Property attached.

Gary Hall
INTERIM CHIEF EXECUTIVE

Electronic agendas sent to Members of the Council Councillors Harry Hancock (Mayor), Jane Bell (Deputy Mayor), John Rainsbury, Carol Chisholm, Will Adams, Jacky Alty, Renee Blow, Damian Bretherton, Aniela Bylinski Gelder, Matt Campbell, Colin Clark, Colin Coulton, Malcolm Donoghue, Bill Evans, James Flannery, Derek Forrest, Paul Foster, Mary Green, Michael Green, Jon Hesketh, Mick Higgins,

David Howarth, Cliff Hughes, Ken Jones, Susan Jones, Chris Lomax, Jim Marsh, Keith Martin, Christine Melia, Caroline Moon, Jacqui Mort, Peter Mullineaux, Alan Ogilvie, Colin Sharples, David Shaw, Margaret Smith, Phil Smith, David Suthers, Stephen Thurlbourn, Michael Titherington, Caleb Tomlinson, Matthew Tomlinson, Matthew Trafford, Angela Turner, Karen Walton, Ian Watkinson, Gareth Watson, P Wharton-Hardman, Carol Wooldridge and Barrie Yates

The minutes of this meeting will be available on the internet at www.southribble.gov.uk

Forthcoming Meetings

6.00 pm Wednesday, 26 February 2020 - Shield Room, Civic Centre, West Paddock, Leyland, PR25 1DH

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MINUTES OF COUNCIL

MEETING DATE **Wednesday, 27 November 2019**

MEMBERS PRESENT: Councillors Harry Hancock (Mayor), Jane Bell (Deputy Mayor), John Rainsbury, Carol Chisholm, Will Adams, Jacky Alty, Renee Blow, Damian Bretherton, Aniela Bylinski Gelder, Matt Campbell, Colin Clark, Colin Coulton, Bill Evans, James Flannery, Derek Forrest, Paul Foster, Mary Green, Michael Green, Jon Hesketh, Mick Higgins, David Howarth, Cliff Hughes, Ken Jones, Susan Jones, Chris Lomax, Jim Marsh, Keith Martin, Christine Melia, Caroline Moon, Jacqui Mort, Peter Mullineaux, Alan Ogilvie, Colin Sharples, David Shaw, Margaret Smith, Phil Smith, David Suthers, Stephen Thurlbourn, Michael Titherington, Caleb Tomlinson, Matthew Tomlinson, Matthew Trafford, Angela Turner, Karen Walton, Ian Watkinson, Gareth Watson, P Wharton-Hardman, Carol Wooldridge and Barrie Yates

OFFICERS: Gary Hall (Interim Chief Executive), Paul Hussey (Director of Customer and Digital), Jennifer Mullin (Director of Neighbourhoods and Development), Jonathan Noad (Director of Planning and Property) and Dave Whelan (Legal Services Manager/Interim Monitoring Officer)

PUBLIC: 22

54 Purdah

The Interim Monitoring Officer read out some guidance relating to decision making in the Purdah period.

Whilst Members were not happy about the situation, they accepted the officer's advice.

55 Apologies for absence

Apologies were received from Councillor Cliff Hughes and Mal Donoghue.

56 Declarations of Interest

Item 12 - The Leader of the Council, Councillor Paul Foster declared that all members of the Labour Group were affiliated to at least one Trade Union.

57 Minutes of the last meeting

RESOLVED (Unanimously):

That the minutes of the Council meeting held on 25 September 2019 be held as a correct record for signing by the Chair.

58 Returning Officers Report

The Mayor welcomed Councillor Gareth Watson to the Council following his election to the Coupe Green and Gregson Lane ward on 24 October 2019.

The Leader of the Council, Councillor Paul Foster and Opposition Leader, Councillor Margaret Smith also welcomed Councillor Watson.

59 Mayoral Announcements

The Mayor provided an update on events he had recently attended and his forthcoming engagements.

60 Calendar of Meetings 2020/21

Members considered the Calendar of Meetings for 2020/21 which had been prepared earlier than in previous years to ensure that Councillors received as much notice as possible of key dates.

It was proposed by the Leader of the Council, Councillor Paul Foster, seconded by the Deputy Leader, Councillor Mick Titherington and subsequently

RESOLVED (Unanimously):

That the Calendar of Meetings for 2020/21 be approved.

61 Cabinet

Members considered a general report of the meetings of Cabinet held on 16 October and 13 November 2019.

Councillor David Howarth reminded the Leader of the Council that it had been agreed that the tree planting maps would be circulated to all Members and also asked if details of the Memorandum of Understanding Local Plan consultation drop-in sessions could also be provided as soon as possible.

It was proposed by the Leader of the Council, Councillor Paul Foster, seconded by the Deputy Leader, Councillor Mick Titherington and subsequently

RESOLVED that the report be noted.

62 Governance Committee

Members considered a general report of the meeting of Governance Committee held on 27 November 2019.

The Leader of the Opposition pointed out that under the Audit Progress and Sector Update, it should read the local governance audit and not government.

It was proposed by the Chair of Governance Committee, Councillor Ian Watkinson, seconded by Councillor James Flannery and subsequently

RESOLVED that the report be noted.

63 Scrutiny Committee

Members considered a general report of the meeting of the Scrutiny and Budget Performance Panel meeting on 11 November and meeting of the Scrutiny Committee held on 14 November 2019.

It was proposed by the Chair of Scrutiny Committee, Councillor David Howarth, seconded by Councillor Michael Green and subsequently

RESOLVED that the report be noted.

64 Member Development Update

Council considered a report of the Assistant Director of Scrutiny and Democratic Services that provided Members with an update on the work being undertaken by the Member Development Steering Group.

The report provided details of all training that had been provided to date and what work was being undertaken to ensure that the Council was undertaking to achieve the reinstatement of its North West Employers Member Development Charter.

The Leader of the Council urged all Councillors to familiarise themselves with the 21st Century Councillor documentation and thanked all the members involved in the cross party group.

It was proposed by the Chair of the Member Development Steering Group, Councillor Paul Foster, seconded by Councillor Carol Wooldridge and subsequently

RESOLVED that the report be noted.

65 Trade Union Voluntary Recognition

Council considered a report of the Interim Chief Executive that sought Members support of the proposed Voluntary Recognition Agreement between the Council and Unison.

The Council has for many years had a working relationship with Unison, but the arrangement has never been formally adopted and recognised. The Leader of the Council stated that what was being asked for was no different to the arrangements put

in place at other local authorities and he urged all Members of the Council to give their support.

The Leader of the Opposition commented that it was the Conservative Groups opinion that because of Purdah, the item should not have been presented on the agenda and that Members of her Group would not debate the proposal or take part in any vote.

Councillor David Howarth spoke in favour of the proposals.

It was proposed by the Leader of the Council, Councillor Paul Foster, seconded by Councillor Susan Jones, and subsequently

RESOLVED (For: 21, Abstained: 1) to support the Voluntary Recognition Agreement between the Council and the Unison.

66 Review of Polling Districts and Polling Places

The Council considered a report of the Assistant Director of Scrutiny and Democratic Services that updated members on a recent review of polling districts and polling places that had been undertaken in line with statutory guidance.

The review sought to ensure that all electors have reasonable facilities for voting in elections and that every polling place is accessible to electors who are disabled.

Any new polling districts and polling places will come into effect for all future elections from the Police and Crime Commissioner elections in May 2020.

Following extensive consultation with all Members, the proposals recommended changes to polling places/polling district with Broadfield, Broad Oak, Buckshaw and Worden and Howick and Priory Wards. Detailed reasons for all the proposals were appended to the report.

As part of the review, officers have taken the opportunity to amend the polling district codes.

The Leader of the Council, Councillor Paul Foster gave his personal thanks to Elections Officer, James Wallwork for his hard work on the review.

Councillor Alan Ogilvie commented that whilst he was unhappy that both of the polling places recommended for Buckshaw and Worden were outside the ward, he accepted that they were the best of the available options and was pleased that they would be monitored. Councillor Ogilvie asked for measures to be put in place to inform residents of the changes and whilst the Interim Chief Executive stated that it would not be possible to distribute a ward wide flyer, notices would be displayed at the old polling places on election day.

It was proposed by Councillor Paul Foster, seconded by Councillor Jane Bell and subsequently

RESOLVED (Unanimously):

1. That the polling districts and polling places as indicated in Appendix 1 be approved.
2. That the Chief Executive be authorised to determine any unforeseen changes to polling places which become necessary for future elections.

67 Appointment to Committee's and Outside Bodies

Council considered a report of the Assistant Director of Scrutiny and Democratic Services that sought approval of appointments to the Licensing and Public Safety Committee and Leyland Festival Committee.

Following the resignation of Sarah Whittaker as a Councillor for South Ribble Borough Council, there was a vacancy for a conservative group member. As Councillor Gareth Watson was a Conservative Councillor, the Leader of the Opposition would like to formally appoint him to this role.

The Council were recently contacted by the Chair of Leyland Festival Committee to request that Councillor Mick Titherington, in his role of Cabinet Member for Health, Wellbeing and Leisure be formally appointed to the Committee. This role will provide a vital link in updating Council members on progress and monitoring of the event.

It was proposed by Councillor Paul Foster, seconded by Councillor Margaret Smith and subsequently

RESOLVED (Unanimously):

1. That the appointment of Councillor Gareth Watson to the Licensing and Public Safety Committee be approved.
2. That the appointment of Councillor Mick Titherington to the Leyland Festival Committee be approved.

68 Council Tax Empty Properties and Second Homes Report

Council considered a report of the Director of Customer and Digital that sought approval to remove the Council Tax Second Home discount and increase the Council Tax Long Term Empty Premium charge with effect from 1 April 2020.

The report also sought approval for a new Council Tax Local Empty Discounts and Exemptions Policy appended to the report.

It was proposed by Councillor Aniela Bylinski Gelder, seconded by Councillor Paul Foster and subsequently

RESOLVED (Unanimously):

1. That Council approves the proposed policy changes for the removal of the current 10% discount applied for Council Tax Second Homes.
2. That Council approves the proposed policy changes to increase the Council Tax Long Term Empty Premium charge from 1 April 2020 as shown below:

Effective Date	Empty Period	Existing Premium	Proposed Premium
1 April 2020	2-5 years	50%	100%

	5+ years	50%	200%
1 April 2021	2-5 years	50%	100%
	5-10 years	50%	200%
	10+ years	50%	300%

- That Council approves a new Council Tax Local Empty Discounts and Exemptions Policy to reflect the above changes.

69 Amended Terms of Reference for the Climate Emergency Task Group

Council considered a report of the Assistant Director of Scrutiny and Democratic Services that sought approval to amend the Terms of Reference in relation to the Membership criteria of the Climate Emergency Task Group.

The report sought to amend the appointment of the Chair of the Group to be the Lead Member for Air Quality which was currently Councillor Ken Jones. The Cabinet Member for the Environment would still attend the meetings and would provide regular updates to both Cabinet and Council.

A Vice Chair would also be chosen from within the membership of the Group. On this occasion the Group had nominated Councillor Stephen Thurlbourn to take the Vice Chair.

It was proposed by Councillor Ken Jones, seconded by Councillor Thurlbourn and subsequently

RESOLVED (Unanimously):

That the amended Terms of Reference in terms of Membership criteria be approved.

70 Central Lancashire Memorandum of Understanding on Housing Provision and Distribution

Council considered a report of the Director of Planning and Property that provided members with an update on housing numbers in relation to the Central Lancashire Local Plan and sought approval to agree a Memorandum of Understanding (MOU) on the approach to be taken across Central Lancashire.

Supplementary information that included the consultation responses that had been received was also provided for Members.

The Cabinet Member for Planning, Regeneration and City Deal, Councillor Bill Evans explained that Housing numbers are a keystone of the Planning system and will be one of the key issues for the new Central Lancashire Local Plan. The current housing requirement for Central Lancashire dates back to the Regional Spatial Strategy of 2008 with evidence for that dating back to 2003. The recent Government Standard Method has provided a new approach that has been developed further by new evidence. Given that the new Local Plan will not be adopted for at least two years, it is imperative that a Memorandum of Understanding between the three Central Lancashire authorities is agreed to cover the interim period.

The Leader of the Opposition commented that it was the Conservative Groups opinion that because of Purdah, the item should not have been presented on the

agenda and that Members of her Group would not debate the proposal or take part in any vote.

It was proposed by Councillor Bill Evans, seconded by Councillor Paul Foster and subsequently

RESOLVED (For: 25)

1. That the decision whether to approve the revised MOU be delegated to the Director of Planning and Property in consultation with the Cabinet Member for Planning, Regeneration and City Deal following completion and consideration of a detailed responses report.
2. That if approved, the Council will formally adopt the MOU upon formal approval by all three Central Lancashire Councils.

71 Leyland Town Deal

Council considered a report of the Director of Planning and Property that update members on the recent issuing of a prospectus by Central Government (MHCLG) regarding the Towns' Fund and Leyland being named as one of 100 towns nationally to be part of this programme. The report also sought authority for officers to progress work on the Leyland Town Deal and to establish a Leyland Town Board.

The Cabinet Member for Planning, Regeneration and City Deal explained that the Town's Fund prospectus highlights that the Town Deal is about the town as a whole and not just the Town Centre.

MHCLG has referred to an Office of National Statistics (ONS) dataset that defines towns by population density and had provided Leyland with a Town Boundary map that is a good starting point but missed out key bits of Leyland's geography such as Worden Park, Test Track, Croston Road, Farington and the Cuerden Strategic site.

Officers had therefore proposed a slightly amended boundary that was appended to the report.

The prospectus also requires that a Town Board be established, with a prescribed membership and a private sector chair that will develop and agree an evidenced based Town Investment Plan, a clear programme of interventions and to co-ordinate resources and influence stakeholders.

Councillor Michael Green welcomed the proposals but asked if the area of Midge Hall at the side of the railway could be included within the plan. Members agreed to this proposal.

Councillor Karen Walton also asked if the whole of Farington could be included as opposed to a part and Members sought clarification as whether the Upper Tier Council representation meant district or county level.

Councillor David Howarth urged officers not to forget about the Penwortham Bypass work that was still to take place.

The Leader of the Council, Councillor Paul Foster commented that whilst he was sceptical that this would actually happen, the Council could not just keep extending the boundary.

The Cabinet Member for Finance, Property and Assets, Councillor Matthew Tomlinson commented that it was a tight turnaround and that the quality of representatives on the Board was important has that would affect the quality of the bids.

It was proposed by Councillor Bill Evans, seconded by Councillor Matthew Tomlinson and subsequently

RESOLVED (Unanimously):

1. That the report be noted.
2. That with the inclusion of the area of Midge Hall next to the railway line, the proposed boundary for the Leyland Town Deal be approved.
3. That delegated authority be granted to the Director of Planning and Property in consultation with the Cabinet Member for Planning, Regeneration and City Deal to create a Leyland Town Board.
4. That delegated authority be granted to the Director of Planning and Property in consultation with the Cabinet Member for Planning, Regeneration and City Deal and Leyland Board (once established) to progress work on developing the Leyland Town Deal and Investment Plan using the £162,019 allotted capacity funding given to the Authority by MHCLG. Work to include:
 - Organising and conduction consultation events
 - Commissioning consultants and technical studies
 - Preparing a draft Town Investment Plan
5. That the submission Town Investment Plan be reported back to Council in Summer 2020

72 Questions to the Leader of the Council

A member of the public, Mr Mick Lennon asked the following question:

During the first full council meeting held under the present Labour control council, the leader Cllr Foster was asked a question from a member of the public about the three suspended senior officers including the CEO, Cllr Foster stated that he would give more information ASAP, he also stated that under his leadership the council would be an open and fully transparent council.

Please could Cllr Foster explain why it has been over 5 months since the suspension of the CEO (I presume on full pay?) but in the council constitution (Section 41 Officer Employment Procedure Rules – Section 6 Disciplinary action para b) is states the following:-

The Head of Paid Service/Chief Financial Officer and the Monitoring Officer may be suspended whilst an investigation takes place into alleged misconduct. That suspension shall be on full pay and last no more than two months.

We are more than five months on with no information or updates given by the Council Leader Cllr Foster, please can I and the residents of SRBC have an update?

The Leader of the Council, Councillor Paul Foster gave the following response:

We cannot comment on any individual's employment situation.

Speaking generally about the point you make about the Constitution, when dealing with any issues with any protected officers we would always follow the up to date rules and regulations. They are set nationally. As a general comment the complexity of the procedures involved would invariably mean that any proceedings involving a protected officer would last in excess of two months. However we would always strive to ensure that the protected officer would not be suspended for longer than necessary. I have asked the Chair of Governance Committee and the Monitoring Officer to consider updating this part of the Constitution.

73 Questions to Members of the Cabinet

Deputy Leader and Cabinet Member (Health, Wellbeing and Leisure)

No questions were received.

Cabinet Member (Community Engagement, Social Justice and Wealth Building)

No questions were received.

Cabinet Member (Finance, Property and Assets)

A member of the public, Mr Edward Clayton, asked the following question:

Sometime ago Morris Homes funded the Council to provide paths, linking their development of Wateringpool Lane, to paths on the Junction Nature Reserve, as part of a Section 106 agreement. Could the Cabinet Member give some indication as to when the work will begin, and how long it is expected to take?

The Cabinet Member gave the following response:

It is worth clarifying the funding received from the Wateringpool Lane development was for highways works and not for footpath improvements. As part of the Section 106 Agreement for the Morris Homes site there was an amount of £77,000 identified for Highways works which related to improvements along Browndedge Road/Lostock Lane junction together with new bus stops. This amount was received as requested on 20 April 2016. This funding has been allocated to Lancashire County Council but so far they have not claimed the amount for any works.

That said the footpath works, Mr Clayton is referring to, are part of the Council's green links capital programme where a project to implement them is currently being developed.

Cabinet Member (Environment)

Councillor Ange Turner asks the Cabinet Member if the Council could put measures in place to prevent the misuse of fireworks near wildlife.

The Cabinet Member gave the following response:

It is almost impossible to enforce and monitor the misuse of fireworks but I agree that everyone needs to take more responsibility and I will liaise with officers on the promotion of a Council wide campaign on this issue.

Councillor David Howarth asked the Cabinet Member if she had seen a recent email that had been sent to all Members by Friends of the Earth relating to doubling tree coverage in the area by 2045.

The Cabinet Member responded to say that she had seen the email and had responded to inform Friends of the Earth about the 110,000 trees a global legacy project that the Council were currently undertaking. She urged all Members to do the same.

Cabinet Member (Planning, Regeneration and City Deal)

A member of the public Mr Edward Clayton, asked the following question:

Should a developer fail to comply with a legally binding Unilateral Undertaking, what remedies are available to the Local Authority?

This question related to the Wateringpool Lane development.

The Cabinet Member gave the following response:

In general terms rather than naming individual cases the Council would always seek to resolve the issue through negotiation with the developer in the first instance. If the negotiations prove unsuccessful then the Council would have recourse to the Courts to enforce compliance with any legal agreement. It is also worth highlighting that the developer may seek to vary a legal agreement where justified but ultimately this would be a decision of Planning Committee as to whether the variation is justified or not.

In terms of the position regarding the Morris Homes site at Wateringpool Lane, Officers have been working with this developer for some time to ensure that all requirements relating to the layout of the footpaths is completed. We understand that a delay has been experienced by the developer due to the need for a surface water fallout connection which needs to be installed and is currently awaiting an order. From liaison with the developer they are suggesting that this would be after Christmas due to issues with the recent wet weather. Officers are not happy with this delay and are currently assessing whether the delay is justified or not.

74 Questions to Chairs of Committees and My Neighbourhood Areas

Questions to Chairs of Committees.

None.

Questions to Chairs of My Neighbourhood Areas

None.

75 Questions to Member Champions and Representatives on Outside Bodies

Questions to Member Champions.

None.

Questions to Representatives on Outside Bodies.

None.

76 Long Service Award

Councillor Mick Higgins received his Commemorative Badge for 12 years' service to the Council from the Mayor.

Councillor Mick Higgins dedicated this honour to the people of Bamber Bridge.

77 Exclusion of Press and Public

RESOLVED (Unanimously):

That the press and public be excluded from the meeting during the consideration of the following item of business as it involved the discussion defined as exempt from publication under paragraph 3 of Part 1, of Schedule 12A of the Local Government Act 1072, 'Information relating to the financial or business affairs of any particular person (including the authority holding that information)' and in which public interest in maintaining the exemption outweighed the public interest in disclosing it.

78 Garden Waste Charging Policy

Council considered a report of the Director of Neighbourhoods and Development that sought approval on the proposed reduction in charge for the provision of the garden waste collection service.

The Leader explained that this reduction had been a joint decision by the administration and the Liberal Democrat Group and that further initiatives were being explored to reduce this charge further.

RESOLVED (Unanimously):

1. That Council approves the reduction in charge for the provision of the garden waste collection service, from £30 per annum to £25 per annum from April 2020. This is a 17% reduction in the Garden Waste collection charge,
2. That Council approves a review of the Garden Waste Charging Policy be undertaken, that will look at further reductions or removal of charges for those on pension credit or low incomes, reporting back to Cabinet in March 2020.

Chair

Date

South Ribble Borough Council

Council Meeting – 29 January 2020

Report of the Governance Committee

The Governance Committee met on the evening of Tuesday, 26 November 2019 and discussed the following items:

1. Audit Plan Progress Report 2019/20 (April – October 2019)

The Council's Internal Auditor presented a report of the Interim Head of Shared Assurance providing a progress report on the Audit Plan for 2019/20 from 1 April to 31 October 2019.

It was reported that 5 internal audit reviews were at draft report stage awaiting finalisation, a further 4 had commenced and 2 had been completed. The completed reviews were on performance management information with a limited assurance rating and review of the Improvement Reference Group / annual governance statement without an assurance rating. In order to ensure the audit plan is completed an additional auditor had been appointed.

Following a Member enquiry, the definition of limited assurance is that the Council cannot place sufficient reliance on the controls in place, with substantive weaknesses. With regards the performance management review, further testing of the data was undertaken and found that 10 out of the 21 performance measures were wrongly reported, with 5 not having the source documentation. Management had put in place an action plan and a follow-up audit would be undertaken in 3 – 6 months' time.

Reference was made to the unplanned additional work undertaken of 21.5 days that hadn't been included in the audit plan previously presented to the Committee. It was explained that the unplanned work was driven by emerging issues identified as part of legacy issues and work on the Annual Governance Statement. Additional resources had been made available to complete the unplanned work, with the costs met from underspends elsewhere in Shared Services. Confirmation was provided that the detail of the unplanned work would be presented to the Committee at the appropriate time. The cost of the additional unplanned work was requested and would also be provided.

Reassurance was provided that the audit plan would be delivered as planned within the resources provided as long as no unforeseen issues arose.

Members felt it would be helpful to receive the reports from any future audit reviews that receive a limited assurance rating.

2. External Audit Progress Report and Sector Update

Mark Heap from the Council's External Auditor, Grant Thornton, presented the audit progress report and sector update.

It was reported that the 2018-2019 audit work was ongoing. Reference was made to Grant Thornton's review of fees in light of the increased complexity of local government financial transactions and financial reporting. Discussion would take place with the Council's Section 151 Officer including any proposed variations to the fees set by PSAA Limited before communicating with the Governance Committee.

Following a Member query, the External Auditor would look into whether the Council took part in CIPFA – Chief Financial Officer confidence survey.

A discussion took place on when the Annual Governance Statement would be presented to the Committee. It was reported that the Council would be able to finalise the Annual Governance Statement once current investigations into legacy issues were complete and this could be released to the External Auditor to conclude their work on the accounts.

The External Auditor confirmed that from their perspective good progress was being made on the audit with thanks to management and there was nothing to currently bring to the Committee's attention.

Following a query about the audit deliverables planned date including a 'to be confirmed', the External Auditor noted the comments and would ensure it is updated to include the relevant dates.

3. Treasury Management Activity Mid-year review 2019/20

The Council's Principal Financial Accountant presented a report of the Interim Section 151 Officer on the treasury management activity mid-year review for 2019/20 to the end of September 2019.

It was reported that during the first six months of 2019/20 an average daily cash balance of £39.9M earned interest of £182K, a return of 0.91%. The investment balances at the end of September was £44.6M.

Reference was made to the Public Works Loan Board increasing their rate by 1% in the margin of its lending rates above gilt yield. It was appreciated that there were no implications to the Council's medium-term financial strategy, but something to be aware of for the future.

Following an enquiry about the term investment with Chorley Borough Council, it was confirmed that this was on standard commercial terms and not on a preferential basis.

In response to an enquiry about how the funds from the two term investments that had matured would now be invested, the Principal Financial Accountant undertook to circulate this information outside the meeting.

4. Constitution – Contract Procedure Rules

The Council's Interim Monitoring Officer presented a report proposing amendments to the Council's constitution concerning contract procedure rules.

Following queries concerning the transparency of authorised signatories to enter into contracts, it was acknowledged that this could be strengthened as part of the Committee's next review of the scheme of delegation.

Reassurance was provided that relevant officers would be trained on the updated contract procedure rules. As part of preparing any contracts the Council enters into Brexit implications would be assessed by the Legal Services team.

I hereby commend the report to the Council.

Councillor Ian Watkinson
Chair of the Governance Committee

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REPORT TO	ON
COUNCIL	Wednesday, 29 January 2020



TITLE	PORTFOLIO	REPORT OF
Approval of the Council Tax Support Scheme to be adopted for 2020/21	Cabinet Member (Community Engagement, Social Justice and Wealth Building)	Director of Customer and Digital

Is this report confidential?	No
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PURPOSE OF THE REPORT

1. The purpose of the report is to update Council on the outcome of the consultation exercise carried out with preceptors and residents in relation to proposed changes to our Council Tax Support scheme (CTSS). The consultation exercise will inform the proposal for introducing an amended scheme for the year 2020/21.

RECOMMENDATIONS

2. Council to note the outcomes of the consultation.
3. Council to approve the amendment of the scheme to reflect the removal of the minimum payment (£3.50 charge for passported claimants).
4. Council to note the further work undertaken in relation to second homes and the empty homes premium.
5. Council to note the budget implications.

REASONS FOR THE DECISION

6. The new administration is committed to protecting the most vulnerable applicants and would like to increase the financial assistance available to them by increasing support available for certain vulnerable groups.
7. The adoption of a revised Council Tax Support scheme (CTSS) is a priority in the refreshed Corporate Plan.
8. To ensure that any future, new or revised scheme reduces the burden of Universal Credit and satisfies the statutory requirement within the localisation of Council Tax Support that consultation must take place with major preceptors and residents.

EXECUTIVE SUMMARY

9. This report sets out the outcomes from the consultation undertaken in line with Government guidance and legislation. The report also provides a rationale for an amendment to the existing scheme which will in effect remove the minimum payment of £3.50 for passported claimants.

CORPORATE PRIORITIES

10. The report relates to the following corporate priorities:

Excellence, Investment and Financial Sustainability	x
Health, Wellbeing and Safety	x
Place, Homes and Environment	

Projects relating to People in the Corporate Plan:

Our People and Communities	x
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BACKGROUND TO THE REPORT

11. Until April 2013 there was a national scheme called Council Tax Benefit. The Government made local councils responsible for replacement schemes from 1 April 2013.
12. The new administration is committed to protecting the most vulnerable applicants and would now like to consider increasing the financial assistance available to them. As the council is keen to keep Council Tax Support aligned with major benefits such as Housing Benefit and Universal Credit to assist in administration and be fairer to all, this means that, as those benefits change, similar changes need to be made to the Council Tax Support scheme.
13. In addition, the council is keen to protect those applicants who are claiming certain benefits and on the lowest income. This will affect working age households in the borough who currently receive or will apply for Council Tax Support. Pension age households will **not** be affected as central government prescribed the scheme.
14. Continuing with the current scheme would mean low income working age applicants on certain benefits are adversely affected; the most vulnerable applicants are not protected to the level that the new administration would like; the scheme would include, as income or capital, certain payments which are now disregarded from all other welfare benefits and there are potentially higher administration costs, relating to council tax billing and recovery.
15. An amendment to the existing scheme would allow the treatment of payments such as windrush and bereavement payments to be disregarded mirroring the treatment of these payments to that of other benefits such as Housing Benefit.
16. At the meeting held on 10th July 2019 Cabinet agreed the process and timeline for consultation on an amendment to the existing scheme.
17. At the meeting held on 10th July 2019 Cabinet also agreed for further work to be undertaken in relation to second homes and the empty homes premium. The outcomes of this work was presented to Cabinet on the 16th October 2019.

PROPOSALS (e.g. RATIONALE, DETAIL, FINANCIAL, PROCUREMENT)

18. As reported in July 2019 analysis has been undertaken to address the impact of the current scheme and alternative scheme options on areas of poverty and this is summarised below:
 - One of the objectives of any CTS scheme was to protect the vulnerable. The current scheme recognises this objective by disregarding disability benefits such as Personal Independence Payments and including additional premiums in the calculation for disabled households.
 - Members have expressed concerns about the level of protection and would like to look at this area further particularly in relation to the standard minimum £3.50 per week

charge for all working age claimants. There is concern that some claimant groups may be considered to be below the poverty line, which could be alleviated in part by the removal of a standard deduction. To do this we need to establish those we consider to be in poverty and may need additional assistance.

- There are several benchmarks, one of which is 'relative poverty'. This is defined as when households receive 50% - 60% less than average median household incomes, so they do have some money but still not enough money to afford anything above the basics. Median household disposable income in the UK was £28,400 in the financial year ending 2018, based on estimates from Living Costs and Food Survey – Office of National Statistics. Taking 55% as the mid-point this would equate to £15,620 per annum. However this figure would mean different things to different household compositions. For example a single person working 40 hours per week on the National Living Wage of £8.21 per week would have a gross pay of approx. £17,000 which after deductions, would be in the region of £15,000. It would be less challenging financially for a single person to manage on this level of income than it would for a family with children to manage on the same amount.
- The other benchmark that we could consider is the Applicable Amount which is circa £15k per annum. This is a standard national figure which the Government believes reflects the basic living needs of a claimant and their family.
- Working Age claimants who are in receipt of a passported benefit such as Income Support, Jobseekers Allowance (Income Based), Employment and Support Allowance (Income Related), receive benefit at the applicable amount level for their family size and need.
- Under the Council Tax Benefit scheme claimants in these groups previously received full council tax benefit because their income was not in excess of this basic living needs assessment. Of the 3129 working age caseload for South Ribble (as at 28.6.19), there were 1467 in receipt of a passported benefit.
- An area that we do need to be aware of is that some UC claimants will be on an income level to their basic needs allowance but are not regarded in legislation as on a passported benefit. The current software does not therefore enable us to offer them any targeted protection in the same way as claimants in receipt of the passported benefits. We would seek to mitigate this issue by means of the Local Support Scheme (EHP) and actively identify and target these claimants. The figures currently suggest there are approximately 440 claimants who would qualify for payment under the Local Support Scheme.

19. Further to the above analysis a number of options were considered by way of an amendment to the existing scheme and these are listed below:

Option 1: Maintaining the current scheme with £3.50 per week minimum payment.

- Would be revenue cost neutral
- Would not address the administrative burdens of UC as highlighted in point 15 as claims will need to be reassessed potentially on a monthly basis, resulting in multiple bills and letters.
- Would not address Member concerns regarding a charge

Option 2: Current scheme with no minimum payment (removal of £3.50 charge for passported claimants as defined above)

- Would not be revenue cost neutral
- Would not address administrative burdens of UC as highlighted in point 15, as claims will need to be reassessed potentially on a monthly basis, resulting in multiple bills and letters.
- Would address Member concerns regarding a charge
- This option would mirror the Council Tax Benefit scheme as it was before the change to CTS on 1.4.2013. Lancaster City Council's current CTS scheme has no minimum deduction and has followed the same rules and amendments as Housing Benefit

legislation. This therefore incorporates the two major legislation changes detailed below.

Option 3: Income banded scheme with maximum 85% support for the lowest income band.

- Would be revenue cost neutral
- Would have the potential to address the administrative burdens of UC
- Would not address Member concerns regarding a charge

20. Further to the above the agreed next step action was is to consult on the retention of the current scheme (option 1) an amendment to the current scheme (option 2) and disregarding of windrush and bereavement payments bringing in line with other benefits. The outcome of the consultation is detailed in the following section of the report.

21. We have also undertaken further work and consultation on the current second homes and empty homes premium. The details of which were reported to Cabinet in October 2019. In summary the outcome of this work was a recommendation to Council to approve proposed changes to Policies which will in effect remove the 10% discount applied to second homes, and increase empty homes premiums.

CONSULTATION CARRIED OUT AND OUTCOME OF CONSULTATION

22. Between the period of 29th July and 27th September 2019 a consultation exercise was carried out with major preceptors (LCC, Police and Fire), residents and interested parties. The first 2 weeks of the 8 week consultation was focused on the major preceptors. We also extended the period of consultation by a further week in order to reflect the feedback from the first part of the consultation.

23. The process required the following:

- Full details of all changes to the current scheme identified.
- First draft Equality Impact Assessment carried out
- Draft scheme prepared to be made available on SRBC website
- Letter to major preceptors
- Public consultation on website
- Letters of awareness sent to a sample of residents/claimants/interested parties

24. 8760 residents were sent a letter advising of the reason for the consultation and inviting to go online to complete a questionnaire. This comprised all working age CTSS claimants (3284) and an equal proportion of residents from every ward in the borough (5477). A second set of letters (365) were sent to residents in every ward to compensate for returned/undeliverable letters from the first tranche.

25. Throughout the consultation period regular social media messages were posted, officers from Gateway provided telephone and face to advice and support and we liaised directly with support agencies/interested parties such as Citizens Advice, Age UK, Welfare Rights, community groups and charities.

26. A summary of the CTSS Consultation results are provided below:

Preceptors – LCC, Police and Fire – advised they could not support the removal of £3.50 per week charge for certain income groups due to financial implications.

Residents - 223 responses received and summary of responses for each question is as follows;

1. Do you agree with this change to the scheme (Proposal 1)?

This question asked all respondents whether they agreed with Proposal 1 namely removing the £3.50 per week minimum payment for low income applicants who are in receipt of certain benefits

Answer	No.	Percentage
Yes	156	69.96%
No	54	24.22%

Don't Know	12	5.38%
Not Answered	1	0.44%
Total	223	100.00%

2. Do you agree with this change to the scheme (Proposal 2)?

This question asked all respondents whether they agreed with Proposal 2 namely whether Bereavement Support Payments should be disregarded from the scheme.

Answer	No.	Percentage
Yes	180	80.72%
No	18	8.07%
Don't Know	22	9.87%
Not Answered	3	1.34%
Total	223	100.00%

3. Do you agree with this change to the scheme (Proposal 3)?

This question asked all respondents whether they agreed with Proposal 3 namely whether Windrush Compensation Payments should be disregarded from the scheme.

Answer	No.	Percentage
Yes	150	67.26%
No	33	14.80%
Don't Know	37	16.59%
Not Answered	3	1.35%
Total	223	100.00%

4. Should the Council keep the £3.50 per week minimum charge for low income applicants who are in receipt of certain benefits?

This question asked all respondents whether the Council should keep the scheme the £3.50 per week minimum charge for all low income applicants and those on the specified benefits

Answer	No.	Percentage
No	139	62.33%
Yes	68	30.49%
Don't Know	11	4.93%
Not Answered	5	2.25%
Total	223	100.00%

5. Should the Council make the changes and offset (as far as possible) any costs by considering introducing changes to the council tax charges for second homes and empty premises?

This question asked respondents whether the changes should be made to the scheme and the costs offset by introducing the level of charges for second homes and empty dwellings.

Answer	No.	Percentage
Yes	163	73.09%
No	44	19.73%
Don't Know	11	4.93%
Not Answered	5	2.25%
Total	223	100.00%

6. Make the changes and fund them from existing resources?

This question asked respondents whether the changes should be made, and the costs funded from existing resources.

Answer	No.	Percentage
Yes	91	40.81%
No	88	39.46%
Don't Know	37	16.59%
Not Answered	7	3.14%

Total	223	100.00%
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7. If the council were to choose these other changes, what would be your order of preference?

Respondents were requested to place the following in order of preference:

- Make no changes:
- Make changes and fund them from existing resources; and
- Make changes and offset the costs through additional charges on second home and empty dwellings

Respondents indicated that their preferred option is to Make changes and offset the costs through additional charges on second home and empty dwellings.

The legislation requires the Local Authority to consult such other persons as it considers are likely to have an interest in the operation of the scheme. The legislation does not lay down any rules in relation to responses or method of consultation although it should be noted that SRBC has used a variety of methods to encourage participation. It should also be noted that it is a consultation and not a survey and therefore there is no requirement to determine a number of minimum responses for it to be valid and it is for residents, preceptors to decide whether they wish to participate or not in the consultation process.

The number of responses received 223 is above average for related consultations undertaken by similar sized and larger authorities. For example a similar consultation undertaken by a Council had a response rate of 150.

All consultation responses will be taken into account by Full Council when making the final decision and ample time and opportunity has been given to allow those wishing to participate to do so.

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

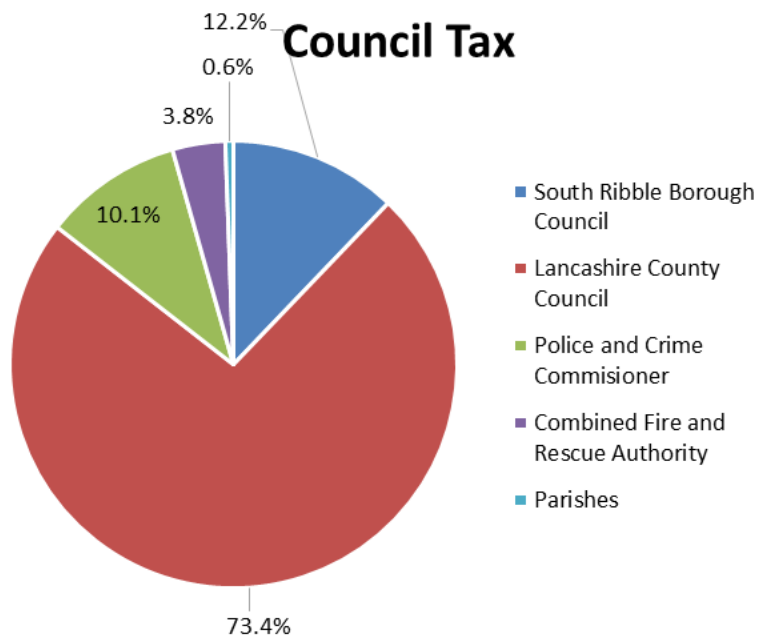
27. The alternative options are detailed in the proposals section of this report.

FINANCIAL IMPLICATIONS

28. The financial implications of the current scheme (option1) and amendment to the scheme (option 2) are summarised in the proposals section of this report. Compared to the current scheme, removal of the £3.50/week minimum payment would increase the cost to the Council.

29. Please note the cost implications are based on a set of assumptions at this point in time in relation to council tax increases, the anticipated level of migration to Universal Credit, changes in National Living Wage and taxation. They are therefore indicative and form part of the overall potential implications of each option, both on the Council and claimants.

30. The net financial impact for South Ribble Borough Council and any preceptors as a result of potential changes is as apportioned below. Figures quoted are for the financial year 2019/20.



31. For illustrative purposes, based on the apportionment for 2019/20 a forecast loss of council tax income would be as follows:

	Option 1 £'000	Option 2 £'000
South Ribble/Parishes		44
Lancashire County Council		255
Police and Crime Commissioner	Broadly cost neutral	35
Combined Fire and Rescue Authority		13
Indicative Cost / (Saving)		347

As previously mentioned the Council is exploring other income opportunities associated with the changes to the second homes and empty homes premium Council Tax policy. Recent modelling undertaken in relation to this suggest a potential annual yield for the County of £120k.

LEGAL IMPLICATIONS

32. The Council is under a legal duty by virtue of Schedule 1A to the Local Government Finance Act 1992 to consider each year whether to revise its council tax support scheme or to replace it with another scheme. Schedule 1A also provides that any revision to the scheme, or any replacement scheme must be made no later than 11 March in the financial year preceding that for which the revision or replacement scheme is to have effect. The Council has a legal duty to review its scheme every year and to consult on any proposed changes. As members wished to adopt a revised or replacement scheme for 2020/21, a full consultation was undertaken in line with government guidance and provided those affected with an opportunity to comment.

33. As recommended the consultation was undertaken over an 8 week period.

34. If changes are made without the process being followed, there is a risk of the scheme being challenged by Judicial Review.

AIR QUALITY IMPLICATIONS

35. There are no known implications for the Air Quality Action Plan.

HUMAN RESOURCES AND ORGANISATIONAL DEVELOPMENT IMPLICATIONS

36. It is not envisaged that there will be any requirement for changes to staffing levels at this stage. The Leadership Team will keep this under review and any training requirements will be resourced and met internally.

ICT/TECHNOLOGY IMPLICATIONS

37. Whilst it will not be necessary to procure appropriate additional Capita modules for the proposed changes to the scheme, the assistance of experienced consultants will be required to ensure the correct system amendments are in place.

PROPERTY AND ASSET MANAGEMENT IMPLICATIONS

38. There are no known implications for the physical estate

RISK MANAGEMENT

39. There are no known residual risks at the time of writing this report. Nevertheless the Project Scope has been updated to highlight the risks associated with this report and proposals therein

EQUALITY AND DIVERSITY IMPACT

40. An Equality Impact Assessment (EIA) has been carried out for the purposes of the consultation exercise. A full EIA will be carried out for any proposed amendment to the existing scheme.

RELEVANT DIRECTORS RECOMMENDATIONS

41. This report sets out the outcomes from the consultation on an amendment to the existing CTSS in line with Government guidance and legislation. The financial and legal implications are detailed in the report.

COMMENTS OF THE STATUTORY FINANCE OFFICER

42. The indicative financial impact on the Council's annual budget is set out in paragraph 31 above. This forecast reduction in income has been mitigated in part through approved changes to the Empty Property premiums and Second homes discount policies. These policy changes will be reflected in the Council Tax income forecasts in the 2020/21 Budget and revised Medium Term Financial Strategy.

COMMENTS OF THE MONITORING OFFICER

43. The existing Council Tax Support Scheme has been the subject of debate and concern with a number of members for some time now. It was clearly appropriate that we took a proper look at the scheme and see if any changes were desirable. In this regard we have carried out a particularly extensive consultation exercise. This includes precepting authorities as well as residents. The final decision on the way forward rests with full Council of course. There is clearly a rationale and evidence base for what is now proposed. It should be noted that the financial impact on the County Council (see the Table in para 31 above) of the proposed changes will be lessened as a consequence of the proposed changes to second homes and empty homes premium Council Tax policy.

BACKGROUND DOCUMENTS

There are no background documents.

APPENDICES

Appendix 1 – Consultation Questionnaire

Paul Hussey
Director Customer and Digital

Report Author:	Telephone:	Date:
Paul Hussey	01772 625522	13 November 2019

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South Ribble Borough Council

Council Tax Support Scheme 2020/21 Consultation Questionnaire

Background information and scheme summary

What is this consultation about?

Each year the Council has to decide whether to change the Council Tax Support scheme for working age applicants in its area. This year the Council has decided that some important changes, should be made to make the Council Tax Support scheme more generous for those on the lowest income and also to bring the scheme in line with some changes made by Central Government within Housing Benefit and Universal Credit. The changes to the scheme are designed to take a more preventative, proactive and caring approach to support People at times when they are struggling for example when they have experienced a bereavement. This can put pressure on health and social care services potentially creating greater costs further down the line.

What is Council Tax Support?

Under South Ribble Borough Council's current scheme all working age households have to pay at least £3.50 per week as a minimum payment, irrespective of the level of their income or Council Tax liability. The level of discount is based on the income of the household.

Pensioners are protected under the scheme set by Central Government and may receive up to 100% support.

Why is a change to the Council Tax Support scheme being considered?

Until April 2013 there was a national scheme called Council Tax Benefit. The Government made local Councils responsible for replacement schemes from 1 April 2013.

The Council is committed to protecting our most vulnerable applicants and would now like to increase the financial assistance available to them by removing the current £3.50 per week charge.

As the Council is keen to keep Council Tax Support aligned with major benefits such as Housing Benefit and Universal Credit to assist in administration and be fairer to all, this means that, as those benefits change, similar changes need to be made to the Council Tax Support scheme.

In addition, the Council is keen to protect those applicants who are claiming certain benefits and on the lowest income. In particular those applicants who receive the following:

- Income Support;
- Income Related Employment and Support Allowance;
- Income Based Jobseeker's Allowance;
- Universal Credit where the applicant receives the maximum award (and the applicant has no other income apart from disregarded income such as Personal Independence Payments, Disability Living Allowance, Child Benefit, Child Maintenance or War Pension);
- New Style Job Seeker's Allowance or New Style Jobseeker's Allowance and Universal Credit (and the applicant has no other income apart from disregarded income such as Personal Independence Payments, Disability Living Allowance, Child Benefit, Child Maintenance or War Pension); or
- New Style Employment and Support Allowance or New Style Employment and Support Allowance and Universal Credit (and the applicant has no other income apart from disregarded income such as Personal Independence Payments, Disability Living Allowance, Child Benefit, Child Maintenance or War Pension)

Who will this affect?

Working age households in the Borough who currently receive or will apply for Council Tax Support. Pension age households will **not** be affected as Central Government prescribed the scheme.

Why are we proposing to change the current scheme?

We have considered continuing with the current scheme. However, this would mean:

1. higher administration costs, relating to Council Tax billing and recovery;
2. the scheme would include, as income or capital, certain payments which are now disregarded from all other welfare benefits; and
3. the current scheme adversely affects low income working age applicants on certain benefits;
4. our most vulnerable applicants are not protected to the level that we would like.

Questionnaire

Have Your Say on the Council Tax Support Scheme.

Q1.

I have read the background information (above) about the Council Tax Support Scheme:

Yes No

This question must be answered before you can continue.

Proposals to change the current Council Tax Support scheme

As explained in the background information, the Council is primarily consulting on the following proposals to change the existing Council Tax Support Scheme from 1st April 2020, which would keep the cost in line with our projections and Financial Plan and align it with other welfare benefit changes. Your responses are a part of this consultation. Set out below are the proposals being considered:

Proposal 1 – Removing the £3.50 per week minimum payment for low income applicants who are in receipt of certain benefits

The Council requires all working age applicants to pay a minimum of £3.50 per week towards any Council Tax liability, irrespective of their level of income. A review of the Council Tax Support Scheme has identified that certain applicants are experiencing exceptional hardship due to this requirement.

This proposal would remove the requirement for applicants to pay the minimum payment if they are in receipt of the benefits as detailed in the scheme summary.

The benefit of this is:

- The removal of the £3.50 per week charge for these applicants would effectively increase the financial assistance available to them. This would return the scheme to pre-2013 levels for these applicants; and
- The change will be fairer to low income applicants who receive certain benefits.

The drawbacks of doing this are:

- The overall cost of the scheme would increase.

Q2

Do you agree with this change to the scheme?

Yes(Agree) No(Disagree) Don't know

Q3

If you disagree what alternative would you propose in order to protect this vulnerable group?

Proposal 2 – Disregarding the new Bereavement Support Payments

The Department for Work and Pensions (DWP) has introduced a new benefit for working age applicants whose partner dies after April 2017. This is called Bereavement Support Payment and replaces Bereavement Payments, Bereavement Allowance and Widowed Parents Allowance. By making the change, the Council will be able to disregard any amounts paid in the calculation of Council Tax Support. The payments are currently disregarded in other benefits such as Housing Benefit and Universal Credit.

The benefit of this is:

- It brings the working age Council Tax Support Scheme in line with Housing Benefit changes made by Central Government; and
- The change will be fairer to applicants who have recently lost a partner

The drawbacks of doing this are:

- There would be a small increase to the overall cost of the scheme.

Q4

Do you agree with this change to the scheme?

Yes (Agree) No (Disagree) Don't know

Q5

If you disagree what alternative would you propose?

Proposal 3 – Disregarding any Windrush Compensation Payments

On 3 April 2019 the Home Office announced a Windrush Compensation Scheme (WCS) to provide redress for those individuals who suffered financial loss, due to their inability to demonstrate their lawful right to live and work in the UK. There are various criteria within the WCS that individuals who are eligible can claim against. Where any amount is awarded, the payments could potentially affect the award of Council Tax Support.

The intention of this option is to disregard any of these payment (s).

The benefit of this is:

- It brings the working age Council Tax Support Scheme in line with Housing Benefit and Universal Credit changes made by Central Government; and
- The change will be fairer to applicants who receive this type of compensation

The drawbacks of doing this are:

- There would be a small increase to the overall cost of the scheme.

Q6

Do you agree with this change to the scheme?

Yes (Agree) No (Disagree) Don't know

Q7

If you disagree what alternative would you propose?

Alternatives to removing the £3.50 per week minimum charge for low income applicants who are in receipt of certain benefits

If the Council keeps the current scheme, it will be administratively more complex (as it will not align with Housing Benefit which is also administered by the Council), and it will be unfair to certain vulnerable groups especially those receiving certain benefits or those receiving the new payments which are disregarded from Housing Benefit.

Q8

Should the Council keep the £3.50 per week minimum charge for low income applicants who are in receipt of certain benefits

No (Disagree) Yes (Agree) Don't know

The changes will incur additional costs to the authorities, although the Council is considering introducing additional Council Tax charges for second homes and for empty properties which would offset a large proportion of the costs. How would you fund the proposals?

Q9

Make the changes and offset (as far as possible) any costs by considering introducing changes to the Council Tax charges for second homes and empty premises;

Yes (Agree) No (Disagree) Don't know

Q10

Make the changes and fund them from existing resources;

Yes (Agree) No (Disagree) Don't know

Q11

If the Council were to choose these changes, what would be your order of preference? Please rank in order of preference by writing a number from 1 – 3 in the boxes below, where 1 is the change that you would most prefer and 3 is the least.

- Not make the changes:
- Make the changes and offset (as far as possible) any costs by considering introducing changes to the Council Tax charges for second homes and empty premises;
- Make the changes and fund them from existing resources:

Q12

Please use the space below if you would like the Council to consider any other options (please state).

About You

We ask these questions:

1. To find out if different groups of people in the Council's population have been able to take part in the consultation and identify if any groups have been excluded. This means it is not about you as an individual but to find out if people with similar characteristics have had their say.
2. To find out if different groups of people feel differently about the options and proposals in comparison to each other and all respondents. This means it is not about you as an individual but to find out if people with similar characteristics have answered in the same way or not.

This information is completely confidential and anonymous. Your personal information will not be passed on to anyone and your personal details will not be reported alongside your responses.

Q13

Are you, or someone in your household, getting a Council Tax Support at this time?

Yes No Don't know/Not sure

Q14

What is your sex?

Male Female Prefer not to say

Q15

Age

18-24 25-34 35-44 45-54 55-64 65-74 75-84 85+ Prefer not to say

Q16.

Disability: Are your day to day activities limited because of a health problem or disability which has lasted, or is expected to last, at least 12 months?

Yes No Don't know/Not sure Prefer not to say

Q17.

Ethnic Origin: What is your ethnic group?

Prefer not to say

White

British Irish Gypsy or Irish Traveller Any other White background

Mixed/Multiple ethnic groups

White & Black African White & Black Caribbean White & Asian Any other multi mixed background

Asian or Asian British

Pakistani Indian Bangladeshi Chinese Any other Asian background

Black/African/Caribbean/Black British

African Caribbean Any other Black background

Other Ethnic Group

Arab Other – please specify below:

Next steps....

Thank you for completing the questionnaire.

The consultation closes at midnight on 27th September 2019

We will listen carefully to what residents tell us and take the responses into consideration when making a final decision on the 2020/21 scheme.

Following the decision, the full results from the consultation will be available on the Council's website.

The new scheme will start on **1 April 2020**. The Council will consider the impact of the scheme annually and consult again if it thinks further changes need to be made.

REPORT TO	ON
COUNCIL	Wednesday, 29 January 2020



TITLE	PORTFOLIO	REPORT OF
Contract Procedure Rules	Leader of the Council	Shared Services Lead - Legal

Is this report a KEY DECISION (i.e. more than £100,000 or impacting on more than 2 Borough wards?)	No
Is this report on the Statutory Cabinet Forward Plan ?	Yes
Is the request outside the policy and budgetary framework and therefore subject to confirmation at full Council?	Yes
Is this report confidential?	No

PURPOSE OF THE REPORT

1. This report seeks the authority of Council to amend the Council's Contract Procedure Rules. The Contract Procedure Rules are part of the Council's Constitution – hence the reason why the approval of Full Council is required.

RECOMMENDATIONS

2. Council consider and approve (if they deem it appropriate) the updated provisions of the Council's Contract Procedure Rules.

REASONS FOR THE DECISION

3. Periodically it is important to review and update all parts of the Council's Constitution. On the 26th of November 2019 Governance Committee considered and approved the suggested minor amendments to the Council's Contract Procedure Rules. It is for full Council to make the final decision in this regard.

CORPORATE OUTCOMES

4. The report relates to the following corporate priorities:

Excellence, Investment and Financial Sustainability	X
Health, Wellbeing and Safety	
Place, Homes and Environment	

Projects relating to People in the Corporate Plan:

Our People and Communities	
----------------------------	--

BACKGROUND TO THE REPORT/PROPOSALS

5. All Councils are required to have a written Constitution which sets out the Council's internal governance arrangements, approved procedures and protocols. Work on keeping the Constitution up to date is very much on going.
6. The Council's Contract Procedure Rules are a key part of the Council's Constitution and deal with the rules, processes and procedures for the procurement of contracts on behalf of the Council with a diverse range of suppliers and contractors. The rules are designed to protect the public purse by demonstrating value for money together with appropriate safeguards to ensure objectivity in the award of contracts and compliance with any EU procurement requirements. A copy of the proposed amended rules is to be found in Appendix 1 and the existing rules are to be found in Appendix 2.
7. Generally, this has been a light touch review. The Rules were reviewed and updated both in 2015 and 2017 – hence in the main they were robust and fit for purpose. Some of the changes are minor and ancillary and in part are designed to pick up on some recent changes made to Chorley's CPRs – as we have a shared procurement team it is helpful to keep the two documents as similar as possible.
8. The main changes are set out in the table below but members are asked to note in particular the proposed change to the procurement thresholds. The current thresholds are as follows: **less than £20,000 – low value procurement;**

between £20,000 to £100,000 – intermediate value; Over £100,000 – high value. The principal change recommended is that the low value threshold should be increased to £25,000.

9. Where a proposed procurement/contract fits in on the above scale has implications for what sort of procurement exercise is required and also who would be authorised to make the contract award decision. For example, under the current CPRs all contract awards for high value procurement must be made by Cabinet.
10. These threshold figures were updated in 2017. More recently Chorley have increased their low value threshold to £25,000. The reason for this change is that where a procurement above £25,000 in value is openly advertised the 2015 Public Contracts Regulations require that the opportunity is also advertised on the Government one stop shop “Contracts Finder.” It was considered that to avoid any confusion – and to make it as simple as possible for officers – it would be beneficial that the low value threshold was the same as this figure.
11. Members should note that CPR’s will need to be updated again early this year when the EU thresholds are updated and/ or when Brexit is implemented. In the event of Brexit being implemented we will be required to use a new UK e-notification service as opposed to OJEU. These will be minor amendments that officers will attend to at the time. In the context of Shared Services for Legal there may subsequently be a need to amend references to certain job titles – again this is a minor issue that officers will attend to at the relevant time.

PROPOSALS (e.g. RATIONALE, DETAIL, FINANCIAL, PROCUREMENT)

12. The amended **Contract Procedure Rules at Appendix 1** now provide as set out in the table below.

New Rule	Content	Former Rule & Justification
2.1 Compliance (para b)	Some ancillary changes to wording to bring things up to date	Updates current wording
4.1 Procurement Plan	Increases figure from £20,000 to £25,000 to reflect new proposed threshold figure	Change to be consistent with changes suggested elsewhere

New Rule	Content	Former Rule & Justification
7.2 Pre – procurement procedure	Removal of sentence	Wording considered unnecessary
8 Calculating the Contract figure – para 8.3.1 b	Increases figure from £20,000 to £25,000 to reflect new proposed threshold figure	Change to be consistent with changes suggested elsewhere
8 Calculating the Contract Value -para 8.6	Updated wording to reflect the new proposed threshold of £25,000 and the use of the new electronic waiver system	New wording by way of an update
8 Calculating the Contract Value -para 8.7	Some additional wording added for greater clarity	Clarification
9.1 Low Value Procurement	Change to threshold of £25,000	Simple numerical change
10 Intermediate Value Procurement	Updated wording to reflect the new proposed start value of £25,000 and the removal of some unnecessary wording	Update and greater clarity
15 Submission	Some new wording to deal with situation of where there is a technical failure to submit a bid on time	New words added to introduce greater fairness
17 Evaluation	Very minor change of wording	The changes are for the purposes of greater clarity .
26 Contract Terms and Conditions	A new para (26.2) designed to emphasise to officers that they must have in place proper authorisation and that they fully understand the contract they are entering into	New Wording to advise officers of their duties in this regard - This is intended to strengthen our current arrangements
28 Records of Tenders and Contracts/Contracts Register	A new para (28.5) designed to emphasise the need to include all relevant contracts on the Transparency Register	This is intended to strengthen our current arrangements by emphasising this requirement

New Rule	Content	Former Rule & Justification
34 Contract Extension	A very minor change of wording	The change is for the purposes of greater clarity
39 Waivers	New wording to refer to the electronic waiver system and the requirements to advertise on Contracts Finder	This is new wording to reflect the updated situation and to get the message across to officers what our duties are in this regard
41 Change of Authorised Officer	A minor change of wording	For the purposes of greater clarity
Definitions	A couple of new definitions and some amended wording	For the purposes of greater clarity

CONSULTATION CARRIED OUT AND OUTCOME OF CONSULTATION

13. These proposed changes were considered (and approved) by Governance Committee on the 26th of November.

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

14. A regular review of the Contract Procedure Rules is necessary to ensure that they are fit for purpose and up to date. In this instance it was considered that only minor changes to the rules were required.

AIR QUALITY IMPLICATIONS

15. There are no air quality implications for this report.

RISK MANAGEMENT

16. It is important that we review and update our Contract Procedure Rules on a regular basis to ensure that they reflect the current legal position and best practice.

EQUALITY AND DIVERSITY IMPACT

17. There are no issues/concerns with the proposed changes from an equality and diversity point of view.

COMMENTS OF THE STATUTORY FINANCE OFFICER

18. There are no direct financial implications from this report as such. Obviously one of the principal purposes of the Contract Procedure Rules is protection of the public purse – ensuring wherever possible that we get value for money.

COMMENTS OF THE MONITORING OFFICER

19. All local authorities are required to have a written Constitution which must be kept under regular review and publicised. Any amendments to the constitution require the approval of full Council.

There are no background papers to this report

APPENDICES

Appendix 1 – Proposed new Contract Procedure Rules

Appendix 2 – Existing Contract Procedure Rules

LT Member's Name:
Shared Services Lead - Legal

Report Author:	Telephone:	Date:
Dave Whelan - Shared Services Lead – Legal	01772 625247	03/01/2020

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**SOUTH RIBBLE BOROUGH COUNCIL
CONTRACT PROCEDURE RULES**

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Contract Procedure Rules

1. Introduction

- 1.1 These Rules form part of the Council's Constitution and are the Council's Contract Procedure Rules for purchasing goods, works and services for the Council. They do not apply to internal purchases or internal service provision, only where you need to buy something from outside the council.
- 1.2 The Rules apply to any contract that results in a payment being made by the Council as well as to some types of contracts where a service is being provided for the Council which results in some income being generated for the Council.
- 1.3 The Rules also apply to the disposal of surplus goods (see paragraph 37) and to Concession Contracts (Paragraph 38).
- 1.4 The Rules also apply when an external body, authority, company, consultant or other person has been engaged to carry out procurement or disposal on behalf of the Council.
- 1.5 Quotations for grant funded contracts for goods, services or works, where they are procured by the Council, should be invited, in accordance with these rules, except to the extent that any specific requirements for the receipt of the grant specify different requirements, in which case the specific grant procedures must be followed, and the procurement completed in accordance with the relevant grant procedural requirements.
- 1.6 The Rules have four main purposes:
 - to comply with the obligations that govern the spending of public money derived from the European Union (EU) procurement regime and applied in the UK through the Public Contracts Regulations (2015);
 - to obtain Best Value in the way we spend money, so that we may in turn offer better and more cost effective services to the public;
 - to avoid corruption and ensure high ethical standards;
 - to protect people who follow the Rules.
- 1.7 The Rules must be read in conjunction with the Council's Financial Procedure Rules, Procurement Guidance and any other internal controls laid down by the Council for example the Council's Anti-Fraud and Corruption Policy and Whistle Blowing policy.

2 Compliance

- 2.1 Every contract entered into by the Council shall be entered into in connection with the Council's functions and must comply with:
 - (a) all relevant statutory provisions;
 - (b) the relevant European procurement rules (i.e. the EC Treaty, the general principles of EC law and the EC public procurement directives implemented by the UK Regulations);
 - (c) the Council's Constitution including these Contract Procedure Rules, the Authority's Financial Regulations and Financial Procedure Rules and the Council's Scheme of Delegation
 - (d) the Council's vision, priorities, enabling strategies and policies (e.g. Corporate Plan, Procurement Strategy and Sustainable Procurement Policy)

- 2.2 At all times during the contract award procedure, the Council, through its members and officers, shall consider and implement the principles of non-discrimination, equal treatment and transparency.
- 2.3 The highest standards of probity are required of all officers and members involved in the procurement, award and management of Council contracts. Members shall comply with the Code of Conduct for Councillors, and officers shall comply with the Code of Conduct for Officers.
- 2.4 Effective audit trails must be maintained at all stages throughout the procurement procedure, particularly when approval or agreement is required and at evaluation/decision making stages.

3. Conflicts of Interest, Gifts & Hospitality

- 3.1 Every officer entitled to buy supplies, services or works shall comply with the requirements of the Officer Code of Conduct in respect of conflicts of interest, gifts and hospitality.

4. Procurement Plan

- 4.1 Prior to the start of each financial year, each Director must prepare a procurement plan setting out their department's contracts to be procured (over £20,000) during that financial year, and where possible for forthcoming years. A copy of the plan must be supplied to the Principal Procurement Officer who shall use this information to formulate an Annual Procurement Plan for the Council.
- 4.2 Any procurements planned with a contract value of £100,000 or above should be communicated to Democratic Services for inclusion on the Forward Plan.

5. Who has authority to carry out procurement on behalf of the Council?

- 5.1 Any procurement carried out on behalf of the Council may only be undertaken by officers with the appropriate delegated authority to carry out such tasks as set out in the Council's Constitution (Scheme of Delegation). Officers with delegated authority may only authorise other officers who have the appropriate skills and knowledge appropriate to the task. Officers shall be informed by his/her Director/Service Head, in writing, of the extent of any delegated authority and any applicable financial thresholds for each procurement. These officers shall be known as Authorised Officers.

5.2 Revenue Expenditure

Subject to the provisions of Paragraph 5.6, Directors and their Authorised Officers may seek Tenders and Quotations in accordance with these Contracts Procedure Rules for any item of revenue expenditure for which budget provision has been made, and may accept such Tenders/ Quotations in accordance with these Contracts Procedure Rules, up to a total contract value of £100,000. Contract awards above £100,000 constitute a Key Decision and must appear on the Forward Plan.

5.3 Capital Expenditure.

Subject to the provisions of Paragraph 5.6, Directors and their Authorised Officers may seek Tenders and Quotations in accordance with these Contracts Procedure Rules, the particulars of which are shown as approved in the Council's capital programme for the

current financial year and which have also been approved/comply with any additional requirements of the Council's Financial Regulations. Directors and their Authorised Officers may accept Tenders /Quotations in accordance with these Contracts Procedure Rules and the Council's Financial Regulations up to a total contract value of £100,000. Contract awards above 100,000 constitute a Key Decision and Cabinet authority must be obtained. Such proposed decisions must appear on the Forward Plan.

- 5.4 For the sake of clarity the decision to commence a procurement exercise (as opposed to a decision to award a contract in the circumstances described in paragraphs 5.2 and 5.3 above) is not deemed to be a Key Decision unless the decision forms part of and is taken at the same time as a decision that will result in a change to service provision which will have a significant effect on two or more wards of the Council
- 5.5 Any procurement which involves the transfer of Council Staff shall be treated as a High Value (above £100,000) Procurement and, as such, Cabinet authority must be sought for such acceptance.
- 5.6 For all High Value Procurements above the EU threshold, prior approval of the proposed contract award procedure including the evaluation criteria and weightings to be applied, shall be sought from the relevant Executive Cabinet Portfolio Member as a delegated decision.

6. Exempt Contracts

- 6.1 The Rules do not apply to the following types of Contract:
- (a) individual contracts for the provision of temporary staff. (The arrangements with staffing agencies, however, should be subject to a competitive procurement process in accordance with these Contracts Procedure Rules)
 - (b) contracts of employment which make an individual a direct employee of the Council
 - (c) contracts relating solely to disposal or acquisition of an interest in land (including buildings)
 - (d) contracts for advice by and representation by a lawyer with regard to legal proceedings (or contemplated legal proceedings)

If you are in any doubt about whether the Rules apply, you **must** always check with the Principal Procurement Officer.

7. Pre-Procurement Procedure

- 7.1 Before commencing a procurement it is essential that the Authorised Officer leading the procurement has identified the business need and fully assessed any options for meeting those needs. Consideration shall be given to the Council's Procurement Strategy, Sustainable Procurement Policy and procurement guidance, as appropriate.
- 7.2 Before undertaking a procurement the Authorised Officer shall:
- (a) consider all other means of satisfying the need (including recycling and reuse where appropriate);
 - (b) prepare an estimate of expenditure in accordance with Rule 8;

- (c) satisfy themselves that they have the necessary authority to deal with the procurement and that there is budget provision for the procurement in accordance with the provisions of Rule 5
- (d) undertake a risk assessment
- (e) complete an Equality Impact Assessment where any change in service provision is proposed that will have Equality Impacts
- (f) establish a business case for the procurement and consider whether the procurement should follow the Council's Project Management Framework/Toolkit. Procurements which may benefit from use of the toolkit are usually higher value and are:
 - unique, new or complex leading to significant system, process or service changes,
 - impact on numerous services
 - have a significant reputational impact on the Council

If you are unsure as to whether the Project Management Framework should apply, you should consult your SMT member for a decision.

The level of resource and detail deployed in carrying out the requirements of 7.1 and 7.2 shall be appropriate to the nature and the value of the Procurement.

8. **Calculating the Contract Value**

- 8.1 Prior to commencing any procurement you must estimate the total monetary value of the contract (exclusive of VAT) over its full duration, including any extension options (not the annual value). The estimated total value of the contract will determine which procedure you must then adopt.
- 8.2 Where it is proposed to procure a Contract on terms which will provide for renewal on a "rolling" basis, the Authorised Officer must make a reasonable estimate of the term of the contract in order to estimate the Contract Value. If during the term of the Contract it appears that the estimated Contract Value may be exceeded by anticipated further renewals of the contract, the provisions for contract extension at paragraphs 34.2 to 34.5 shall apply. This rule shall not apply to rolling contracts where the annual value is below £10,000. Such contracts shall be subject to an annual review.
- 8.3 Circumstances may arise where a number of low value contracts of the same type, for regular, routine, similar goods or services for similar goods or services are given to one Contractor within a 12 month period. In this case, 12 months expenditure should be aggregated to determine which procedure should be followed. When the value of those contracts is aggregated the effect may be to move the total purchase from one value band to another. This may mean that a different procurement method has to be followed to comply with these rules, or it may be necessary to seek a waiver of these rules in such circumstances.
 - 8.3.1 The requirement to aggregate under the circumstances described at 8.3 will not apply where The Authorised Officer identifies that the spend activity is:
 - (a) unknown or unplanned and therefore cannot be specified at the commencement of the 12 months period or
 - (b) of a similar general category but is so varied that it would be impractical or difficult to specify, the aggregate annual value is less than £20,000, and a blanket

discount arrangement, schedule of rates or other such general framework agreement would be impractical and lead to additional cost.

- 8.3.2 In any event, the Authorised Officer shall ensure that best value is achieved, make best use of the Council's purchasing power by aggregating where appropriate, undertake periodic review of the procurement decision, and keep appropriate records including the reason for any decision not to aggregate, throughout.
- 8.4 Authorised Officers should make the best use of the Council's purchasing power by aggregating purchases wherever possible
- 8.5 Contracts must comply with the Public Contracts Regulations and must not be artificially split to avoid these Rules or the Regulations
- 8.6 If, following calculation of the estimated value, the low value route (below) £20,000 is used, and, after evaluating in accordance with the evaluation criteria, the preferred offer is valued at over £20,000, the matter shall be referred initially to the Director/ Head of Service for approval who shall consult the Legal Services Manager. Provided that the preferred offer is within 10% of the pre-quote estimate, and the Director/Head of Service and the Legal Services Manager are of the opinion that a robust exercise with an appropriate level of competition has been carried out, with a genuine pre-tender estimate, they may collectively approve the contract award.
- 8.7 If, following calculation of the estimated value, the intermediate route (below £100,000) is selected, and, after evaluating in accordance with the evaluation criteria, the preferred offer is valued at over £100,000, then the matter shall be referred initially to the Director/ Head of Service for approval who shall consult the Legal Services Manager. The Director/Head of Service and the Legal Services Manager shall be given full details including how the estimated value was calculated, the amount of the estimated value, the value of all quotations received and the evaluation model applied leading to selection of the preferred offer. Provided that the preferred offer is within 10% of the pre tender estimate and the Director/Head of Service and the Legal Services Manager are of the opinion that a robust exercise has been carried out with a genuine pre-tender estimate, they may collectively recommend that the process be continued under the High Value route and that full details of the process followed be included in the subsequent report requesting approval for the award decision to be submitted to Cabinet.

9. Low Value Procurement: Below £20,000

- 9.1 Where the estimated value or amount of the proposed contract is less than £20,000, The Authorised Officer shall ensure that best value is achieved and that the arrangements made secure the best available terms for the Council. Good practice would be to obtain written or electronic quotations (including at least one local supplier where possible); however, evidenced verbal quotations are acceptable. The Authorised Officer should ensure that the number and type of quotations received are appropriate and proportionate to the contract risk and value. Where the estimated value or amount of the proposed contract is more than £10,000 the expectation is that at least 3 Request for Quotations shall be invited via email or through the Council's e-procurement portal "The Chest" – if this does not happen then the reasons for not so doing should be recorded.
- 9.2 The purchase order must be made on an official purchase order and shall specify the services, supplies or works to be provided and set out the price and terms of payments.
- 9.3 Two authorised officers must be involved in the ordering and receiving process.

9.4 Every purchase order (whether issued as a result of higher, intermediate or lower value procurements) **must** contain the current approved standard form of terms and conditions of contract between the Council and the supplier. A quotation and a purchase order will create a legally binding contract.

10. Intermediate Value Procurement: £20,000 to £100,000 (Quotations)

10.1 For procurements valued over £20,000 but at or below £100,000 at least 3 Request for Quotations shall be invited through the Council's e-procurement portal "The Chest", before a formal purchase order is issued specifying the supplies, services or works to be provided.

10.2 Where an Intermediate Value procurement is above £25,000 in value, and is openly advertised, the 2015 Public Contracts Regulations require that the opportunity is also advertised on the Government one stop shop "Contracts Finder". Additionally, for all contract awards above £25,000, whether the opportunity was openly advertised or not, a Contract Award Notice must be published on Contracts Finder. In both instances, the notices must include the specific details listed in the Regulations, and in both instances, these notices may be accommodated through the Chest.

10.3 At least one local supplier should be included in the suppliers to be invited to quote where possible.

10.4 Invitations to quote shall:

- (a) specify or refer to a specification of the goods, materials, services or work required and
- (b) state the date and time by which the quotation must be received and
- (c) include the instructions for submission and state that no quotation will be considered unless it is received in accordance with those instructions.
- (d) have the evaluation criteria set out in the invitation to Quote. All quotations shall be evaluated in accordance with the evaluation criteria set out in the quotation documents. All contracts, except where lowest price was predetermined to be the appropriate contract award criterion, shall be awarded on the basis of the offer which represents the Most Economically Advantageous offer to the Council.

10.5 Where the risk in a specific procurement is perceived to be high, then that procurement shall be treated as a High Value Procurement.

10.6 Any procurement that may involve a transfer of Council staff shall be treated as a High Value Procurement.

11. High Value Procurements: Above £100,000 (Tenders)

11.1 All Procurements with a cumulative value of over £100,000 shall be classed as High Value Procurements.

11.2 Additionally any contract where Council employees may be transferred to other bodies or where risk in the procurement is perceived to be high shall be treated as a High Value Procurement.

- 11.3 All high value procurements must be advertised on the Council's e-procurement portal "The Chest".
- 11.4 In addition to advertising on the Chest, all High Value procurements shall be advertised on the Government one stop shop "Contracts Finder" in accordance with the 2015 Public Contracts Regulations. Additionally, for these procurements, a Contract Award Notice must also be published on Contracts Finder. In both instances, the notices must include the specific details listed in the Regulations, and in both instances, these notices can be accommodated through the Chest.
- 11.5 Nothing in these Rules prevents you from adopting any aspect of the High Value Procurement procedures in the procurement of intermediate or lower value supplies, works or services.

12. Contracts Subject to the Regulations: Above the EU Threshold

- 12.1 Where the estimated value of a contract exceeds the current EU threshold the contract shall be tendered in accordance with the Regulations. Under the Regulations, the contract may be tendered under the Open, Restricted, or, in exceptional circumstances exhaustively set out in the Regulations, the Competitive Procedure with Negotiation, Competitive Dialogue or Innovation Partnership procedure. For each contract tendered in accordance with the Regulations, a contract notice shall be published in the prescribed form in the Supplement to the Official Journal to the European Union (OJEU) to invite tenders or expressions of interest

Advertisements published in addition to the OJEU notice must not appear in any form before a contract notice is published by the EU Publications Office and must not contain any information additional to that contained in the contract notice.

- 12.2 With effect from 1 January 2018 the EU thresholds are as follows:

- (a) Services contracts £181,302;
- (b) Supplies contracts £181,302;
- (c) Schedule 3 (Social & Other Specific) services contracts £615,278
- (d) Works contracts £4,551,413 and
- (e) Concessions £4,551,413

The EU thresholds set out above are revised by the European Commission every two years.

- 12.3 The EU Directives and UK Regulations are long and complex, and set out minimum timescales for receipt of expressions of interest and tenders. Officers **must** consult the Shared Procurement Team and Legal Services department prior to commencing any procurement which is subject to the Regulations.

13. Suitability Assessment & Pre-Qualification (Not to be used when procuring from a Framework agreement as suppliers on framework agreements are already pre-qualified)

- 13.1 In all procurements the Council shall only enter into a contract with a Contractor if it is satisfied as to the Contractor's –
 - (a) eligibility
 - (b) economic and/or financial standing
 - (c) technical and/or professional ability

The level and detail of assessment shall be proportionate to the risk and value of the contract. Shared Financial Services shall be consulted for all procurements above £100,000 for the completion of an appropriate financial assessment, prior to contract award.

- 13.2 A pre-qualification stage is not permitted in any procurement below the EU threshold for Goods and Services. (currently £181,302 for calendar years 2018/19. -This threshold is updated every two years.) However, suitability assessment questions relating to a potential provider may be asked provided that the questions are relevant and proportionate to the subject matter of the procurement.
- 13.3 A pre-qualification stage may be used in above EU threshold contracts. However, in all instances, statutory guidance published by Crown Commercial Service (CCS) must be followed. This includes use of a core set of standardised questions. For further information and advice, Authorised Officers should contact the Shared Procurement Team.
- 13.4 Where appropriate, bidders may self-certify during the tender/ quotation process, with relevant and proportionate checks only being carried out on the shortlisted bidder.
- 13.5 Any procurement subject to the Regulations shall be in full compliance with those Regulations and the statutory Crown Commercial Service guidance. The Regulations stipulate what must and/or may be taken account of, in assessing eligibility, economic and financial standing and technical and/or professional ability.

14 The Invitation to Tender

- 14.1 The ITT shall include details of the Authority's requirements for the particular contract including:
- (a) a description of the services, supplies or works being procured;
 - (b) the procurement timetable including the tender return date and time, which shall allow a reasonable period for the applicants to prepare their tenders;
 - (c) instructions for completing and returning the tender documentation
 - (d) notification that tenders received after the closing date and time will not be considered
 - (e) a specification and instructions on whether any variants are permissible;
 - (f) the Council's terms and conditions of contract
 - (g) the evaluation criteria including any weightings;
 - (h) pricing mechanism and instructions for completion;
 - (i) whether the Council is of the view that TUPE may apply;
 - (j) form and content of method statements to be provided
 - (k) rules for tender submission;
 - (l) any further information which will inform or assist tenderers in preparing tenders.

15. Submission, Receiving and Opening of E-Tenders/Quotations through the Chest

- 15.1 Every response to an invitation to tender/quote for a transaction valued over £20,000 must be submitted through the Chest by no later than the time and date specified for submission of tenders/quotations in the invitation to tender/quotation document.
- 15.2 The Principal Procurement Officer or Authorised deputy shall verify (remove the e-seal) and release all tenders and quotes to the Authorised Officer once the deadline for their receipt has passed. This verification role may be given to a suitably trained Authorised Officer for intermediate value quotes.

- 15.3 The Chest will automatically record the date and time of receipt of each submission and will list late submissions separately. No quotations or tenders which have been received on to the Chest after the deadline for receipt has passed may be considered.
- 15.4 The Principal Procurement Officer or other Authorised Officer shall complete a Record of Tenders/Quotations Received form summarising the quotations received.
- 15.5 The Authorised Officer must notify the Principal Procurement Officer of the eventual outcome of the procurement exercise for entry into the Contracts Register by completing and submitting the final sections of the Record of Tenders/Quotations Received Form.
- 15.6 The closing date for the receipt of tenders/quotations may be extended, in appropriate circumstances, at the written discretion of the Legal Services Manager.
- 15.7 Tenders and Quotations shall not be opened until the deadline has passed for their receipt.

16. Traditional Hard Copy Tenders and Quotes (Exceptional Circumstances Only)

- 16.1 The Council's preferred method of tendering is by electronic means through the Chest. However, in very exceptional circumstances (e.g. contracts where there are items required, which cannot be submitted electronically), tenders and quotes may be submitted in hard copy format with the prior approval of the Legal Services Manager and the Principal Procurement Officer.
- 16.2 Tenders and Quotations received in accordance with Paragraph 16.1 shall be addressed to the Principal Procurement Officer, Shared Financial Services, Town Hall Market Street, Chorley, PR7 1DP in a sealed envelope endorsed with the word "Tender" or "Quotation" as appropriate, followed by the subject matter to which it relates. No marks shall be included upon the envelope that identifies the bidder prior to the opening of the envelope. The Principal Procurement Officer shall record the date and time of receipt of such Tenders and Quotations and shall keep them in a secure place where they shall remain unopened until the time and date specified for their opening.
- 16.3 Tenders and Quotations received in accordance with this paragraph 16 shall be opened by the Principal Procurement Officer or authorised Deputy and at least one other Authorised Officer. An immediate record shall be made of the Tenders/Quotations received including tenderer name, value, and the date and time of opening on the Record of Tenders/Quotes Received Form.

17. Evaluation

- 17.1 Tenders subject to the EU Regulations shall be evaluated in accordance with the Regulations and the evaluation criteria set out in the OJEU notice and invitation to tender. All other tenders and quotations shall be evaluated in accordance with the evaluation criteria notified to tenderers in the contract notice and/or invitation to tender or Quote.
- 17.2 All contracts, except where lowest price was predetermined to be the appropriate contract award criterion, shall be awarded on the basis of the offer which represents the Most Economically Advantageous Tender to the Council (MEAT).
- 17.3 MEAT evaluation involves scoring tenders objectively by a panel of officers and/or independent experts using criteria which should:
- be pre-determined and listed in the invitation to tender/quotation documentation in descending order of importance;

- be weighted according to their respective importance. This is mandatory for High Value Tenders and recommended for intermediate value procurements. Authorised officers must consult the Principal Procurement Officer where it is intended not to follow this recommendation for intermediate value procurements above £50,000 and provide a valid justification for this.;
- be strictly observed at all times throughout the tender process;
- reflect the principles of Best Value;
- include price;
- adopt whole-life costing where appropriate, particularly in the case of capital equipment where the full cost of maintenance, decommissioning and disposal should be taken into account. Additionally the use of energy efficient products or the use of sustainable materials with a longer life span may impact on the whole life cost;
- be capable of objective assessment;
- include, where applicable, the quality of the tenderers' proposals to accept a transfer of staff under the Transfer of Undertakings (Protection of Employment) Regulations 2006 (TUPE); and
- avoid discrimination or perceived discrimination on the basis of nationality, or other cause contrary to any of the Council's policies.

Where this evaluation methodology is used, any resulting contract must be awarded to the tenderer which submits the most economically advantageous tender, i.e. the tender that achieves the highest score in the objective assessment.

- 17.4 The evaluation criteria must be consistently and strictly observed at all times through the contract award procedure by any officer involved in the tender evaluation process. The Authorised Officer must keep comprehensive records of the evaluation exercise including the scores and comments and justification for those scores and shall sign the final selection record.
- 17.5 For each contract above £100,000, the Authorised Officer shall form an Evaluation Team with responsibility for evaluating tenders. The Authorised Officer shall keep comprehensive written records of the evaluation exercise including the scores and comments and justification for those scores, and the lead officers of the evaluation team shall sign the final selection record.

18. Tender/Quotation Clarification

- 18.1 Bidders may request clarification on aspects of the Tender/Quotation documentation prior to submission by submitting a clarification question through the Chest. The Authorised Officer must ensure equal treatment of all bidders, and where relevant should anonymise the question and publish that together with the response to all potential bidders through the Chest. Care should be taken not to reveal the identity of the Tenderer or any information which may be deemed to be commercially confidential to them during the clarification process.
- 18.2 During the evaluation process, Authorised Officers may clarify aspects of a submitted Tender or a Quotation which are unclear, lacking in detail, ambiguous or appear to show a misunderstanding of the requirements. The areas requiring clarification should be set out in writing by the procurer and a written response requested from the bidder. All such

communications should be issued or recorded through the Chest to ensure a full e-audit trail of the procurement.

- 18.3 For more complex service procurements where officers want to obtain a fuller understanding of bidders' proposals and method statements it may be appropriate to hold a clarification meeting. In such circumstances a formal written record of the meeting shall be completed and agreed by all parties. Minor points of clarification and obvious errors (e.g. mathematical error) should be dealt with in accordance with Clause 18.2 above and should not require a meeting.

When conducting clarification, as throughout the procurement process, the Authorised Officer must bear in mind the rules and principles of the EU Regulations i.e. transparency, equal treatment and non-discrimination.

19. Errors in Tenders/Quotations

- 19.1 Errors in Tenders/Quotations must be dealt with by asking the Tenderer to confirm the Tender as submitted or withdraw their bid. However, where a Tenderer has made a visible and genuine arithmetical error they may be given an opportunity to correct that error. Other than where specifically provided for in the Regulations (e.g when using the Competitive Dialogue procedure) no other adjustment, revision or qualification is permitted.
- 19.2 Tenders/Quotations must state how errors in Tenders/Quotations must be dealt with.
- 19.3 Careful consideration must be given to the effect of any procedure adopted when dealing with errors in Tenders and the reflection which any such procedure may have on the integrity on the officers and members of the Council. It is essential that the procedure adopted is transparent, fair and equitable with equal treatment to all bidders.

20 Post Tender Negotiation

- 20.1 Where procurement is conducted pursuant to the Regulations through either the Open or Restricted procedures no post tender negotiations are permitted. However, the Council may seek clarification from Suppliers where appropriate.
- 20.2 At all times during the procurement (whether subject to the Regulations or not), the Council shall consider and implement the principles of non-discrimination, equal treatment and transparency.

21. Bonds, Guarantees and Insurance

- 21.1 For high value procurements, the Authorised Officer shall consider and include in the procurement documentation, whether a performance bond and/or a parent company guarantee (if applicable) shall be required from the preferred Supplier.
- 21.2 The Authorised Officer shall consider and include, where relevant, in the Tender documentation the appropriate type (employee liability, public liability, professional indemnity, etc.) and level of insurance requirements for each contract.

22 Awarding Contracts

- 22.1 The Council shall only award a contract where at the time of contract award this represents the Most Economically Advantageous offer or is the lowest price depending on contract award criterion included in the OJEU notice or Invitation to Tender/Quote.

- 22.2 A contract must only be awarded and signed by a person authorised to do so, who must ensure that the appropriate budget holder has the funds in place to sustain the contract prior to award.
- 22.3 Directors/Heads of Service should ensure that proper records of all procurement activity are retained in electronic or hard copy format as appropriate.
- 22.4 All High Value contract award decisions and any which involve any potential transfer of the Council's employees shall be referred to Executive Cabinet.
- 22.5 Any procurement of £100,000 or more in value constitutes a key decision and must therefore be included in the relevant Forward Plan as described in the Council's Constitution, before the contract award decision is taken.
- 22.6 The highest standards of probity are required of all officers and members involved in the procurement, award and management of Council contracts. It is essential to maintain effective audit trails at all stages throughout the procurement procedure particularly where approval or agreement is required.

23 Standstill Period

- 23.1 For all contracts tendered under the Regulations, a ten calendar day (where electronic communication is used or 15 calendar days where non-electronic communication is used) 'standstill period' must be observed between the decision to award and contract conclusion. Although the Standstill period is counted in calendar days, it must end on a working day. Authorised Officers should consult the Shared Procurement Team for advice on the specific detail which must be included in Standstill Letters under the Regulations. The Standstill period is an express requirement in the Regulations and must be followed.

24. Contract Award Notice

- 24.1 All contracts awarded under the Regulations must be announced by means of a Contract Award Notice in OJEU transmitted no later than 30 calendar days after the date of the award.
- 24.2 All contracts awarded above £25,000 in value whether openly advertised or not must be published on Contracts Finder in accordance with the Regulations and published Crown Commercial Service (CCS) guidance.

25. Letters of Intent

- 25.1 Letters of intent shall only be used in exceptional circumstances and, by prior written agreement with the Legal Services Manager, as follows:
- (a) Where a Supplier is required to provide services, supplies or works prior to formal written acceptance by the Council; or
 - (b) Where the Council's form of tender does not include a statement that until such time as a formal contract is executed, the Council's written acceptance of a tender shall bind the parties into a contractual relationship.

26. Contract Terms and Conditions

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- 26.1 Contracts shall be entered into on the Council's terms and conditions, or an appropriate industry standard form of contract or other form of contract approved by Legal Services. This may be a supplier's contract suitably amended to protect the Council's interests. However where the contract has been tendered the contract shall be in accordance with the tender Conditions. The Contract Conditions shall be included with each purchase order and invitation to tender or negotiate.
- 26.2 Where contracts are subject to the Regulations, the rules relating to technical specifications shall be followed and any reference to a technical standard, make or type shall be prefaced with the words "or equivalent".

27. Execution of Contracts

- 27.1 Any contracts valued at above £100,000 shall be passed to Legal Services for sealing execution and secure storage, unless otherwise agreed with the Legal Services Manager.
- 27.2 All contracts valued at above £20,000 but below £100,000 should be signed by at least two appropriately Authorised Officers.
- 27.3 All other contracts may be signed by an officer with the appropriate authority.
- 27.4 Electronic signatures may be used in accordance with the Electronic Signature Regulations 2002 provided the sufficiency of security arrangements has been approved by the Legal Services Manager.

28. Records of Tenders and Contracts/Contracts Register

- 28.1 Each Director/Head of Service shall maintain his/her own register of all contracts entered into by his/her department.
- 28.2 The Principal Procurement Officer shall maintain a register of all Higher Value and Intermediate value contracts entered into by the Council.
- 28.3 Authorised Officers shall notify the Principal Procurement Officer of all intermediate and high value contract awards for entry into the Contracts/ Transparency Register by completing and submitting the final sections of the Record of Tenders and Quotations Received Form.
- 28.4 Additionally the Authorised Officer must notify the Principal Procurement Officer of all contracts awarded, above £5000, as soon as possible after the Contract Award, for inclusion in the Contract/Transparency Register.

29. Approved / Standing List of Contractors

- 29.1 The Council may maintain Approved Standing lists of Suppliers that meet its suitability requirements. Quotations and tenders for contracts that are not subject to the Regulations may be invited from Suppliers included on an approved list. Where the Authority intends to use an approved list for services, supplies or works contracts, the Approved List should be reviewed and advertised on a regular basis.
- 29.2 Each Approved Standing List shall:
- (a) be compiled and maintained by the relevant Authorised Officer;

- (b) contain the names of all persons who wish to be included in it and who after appropriate enquiries have been made by the Authorised Officer concerned, are approved by the Council or Cabinet as provided for in the scheme of delegation; and
 - (c) indicate whether a person whose name is included in it is approved for contracts for all, or only some, of the specified values or amounts or categories.
- 29.3 At least four weeks before each Standing List is first compiled, a notice inviting applications for inclusion in it shall be published on the Chest, and where relevant Contracts Finder
- 29.4 Each Standing List shall be amended as required from time to time to include new applications for inclusion and to delete any person no longer thought fit to be included. Each Standing List shall be formally reviewed in the manner set out below by the appropriate Director/ Head of Service at intervals not exceeding three years. At least four weeks before each review, each person whose name appears in the Standing List shall be asked whether s/he wishes his/her name to remain there. Notices inviting applications for inclusion in the list shall be published in the manner provided by Contract Procedure Rule 29.3 above.
- 29.5 Where an invitation to tender for a contract is limited to those named on the Standing List maintained under this Contract Procedure Rule, an invitation to tender for that contract shall be sent to at least four of the persons on the list. These people will be approved for a contract for that value or amount or of that category, or, if there are fewer than four such persons, to all such persons. If there are more than four people, the Authorised Officer, will select the people who will receive invitations, and the manner in which they are sent. This will be either generally or in relation to a particular contract or to a category of contracts provided that the manner of selection shall include a system of rotation from persons appearing on the Standing List.

30. Nominated and Named Sub-contractors

If a sub-contractor, supplier or sub-consultant is to be nominated or named to a main contractor, quotations or tenders must be invited in accordance with these Contracts Procedure Rules and the terms of the invitation shall be compatible with the main contract.

31 Framework Agreements

- 31.1 Framework agreements are agreements with suppliers for the provision of supplies, works or services on agreed terms for a specific period. Unlike normal contracts which require certainty (on price, quantity and other details), Framework Agreements usually state only non-binding estimated quantities against which orders are placed as and when required during the contract period (sometimes this procedure is known as “call-off”). As soon as the quantity/price etc are fixed and an order placed, a contract is formed. Frameworks offer benefits of bulk-buying, improved service and reduced administration costs over the period of the arrangement.
- 31.2 A framework agreement may have the option or requirement for you to hold a “further - competition” with all of the suppliers included on the framework who are capable of meeting your requirement. Quotations invited under a further competition shall be received and opened in accordance with these Contract Procedure Rules, unless received and opened by the public sector framework provider (e.g. Yorkshire Purchasing Organisation) on the Council’s behalf, who may receive and open such bids in accordance with their contract procedural rules.
- 31.3 All Framework agreements procured by the Council must be tendered in accordance with these Contract Procedure Rules.
- 31.4 Where the Council has entered into a Framework Agreement through procurement or is able to place orders from existing Framework Agreements procured by central government agencies,

public sector consortia, other local authorities or other third parties, then the Council may benefit from using those contracts without entering into a full, separate procurement.

- 31.5 Where a public sector framework is used in accordance with the above provisions, without entering into a full, separate procurement process, all other relevant aspects of these procurement rules will still apply, including any approval which may be required for the procurement award procedure (in this case to use the identified framework), approval for the evaluation criteria and weightings (in the event of a further competition under the framework), and approval for the contact award prior to contract acceptance.
- 31.6 Authorised Officers shall investigate whether call-off contracts or frameworks are relevant to their procurement activity as better value for the Council may be obtained by using an existing Council or other framework.
- 31.7 Legal/Procurement Advice should be sought in advance before awarding a contract to a supplier using a framework agreement not procured directly by the Council.
- 31.8 Any appropriate Council Framework Agreements in place shall be used regardless of value, provided the standing order requirements in relation to delegated authority are met. An effective audit trail shall be maintained.

32. Joint / Collaborative Procurement

- 32.1 Authority to engage in joint/ collaborative procurement activity shall be in accordance with the requirements of paragraph 5. However, in the event that the joint/ collaborative procurement activity requires a commitment at the outset, prior to bids being invited, Cabinet approval must be obtained prior to committing to the joint/ collaborative procurement where the estimated value of the Council's proportion of the procurement exceeds £100,000.
- 32.2 The Authorised Officer shall ensure that the joint/collaborative procurement activity complies fully with the EU Procurement Regulations
- 32.3 In any joint or collaborative procurement process the parties involved in the procurement should appoint a "lead body" to carry out the procurement. The procurement should then be conducted in accordance with the lead body's Rules. If this approach requires any waivers of the lead body's Rules, it shall be that body's responsibility to seek approval for, and obtain, such waiver(s).

33. Procurement by Consultants

Any consultants used by the Council shall be appointed in accordance with these Contracts Procedure Rules. Where the Council uses consultants to act on its behalf in relation to any procurement, then the Authorised Officer shall ensure that the consultants carry out any procurement in accordance with these Contracts Procedure Rules. No consultant shall make any decision on whether to award a contract or who a contract should be awarded to. The Authorised Officer shall ensure that the consultant's performance is monitored.

34. Contract Extension

- 34.1 Any contract which has been procured in accordance with these Rules may be extended in accordance with its terms (subject to financial resources) by the Director/Head of Service or Authorised Officer provided an extension clause was included for within the contract terms and conditions.

- 34.2 Other existing Contracts which have been procured in accordance with these Rules may be extended by the Director/Head of Service or Authorised Officer, provided that the total period of this and any previous extension will not together exceed 1 year. The authorised officer must keep a record of the reason for the decision to so extend. A formal Waiver of the Rules must be obtained if the proposed extension will add more than £20,000, or more than 20% (whichever is the higher) to the original total Contract value.
- 34.3 Any extension exceeding £100,000 in value shall require the approval of the Executive Cabinet or relevant Executive Cabinet Portfolio Member.
- 34.4 If the original contract was subject to the EU procurement regulations, the contract can only be extended within the parameters identified in the original EU contract notice. If the contract was not subject to the EU procurement regulations, any extension must not take the total value of the contract above the relevant EU thresholds.
- 34.5 If the contract was awarded as a framework agreement, the total framework period, including any extensions, cannot exceed four years, except in exceptional circumstances relating to the subject of the framework agreement. For example, a longer duration could be justified in order to ensure effective competition if four years would not be sufficient to provide return on investment.
- 34.6 When negotiating a contract extension the authorised officer must make every effort to negotiate improved contract terms with regard to the cost and quality and shall always be satisfied that the extension will achieve Best Value for Money and is reasonable in all the relevant circumstances.
- 34.7 All extensions to any Council contracts must be in writing and reported to the Principal Procurement Officer in order that the Contracts Register can be updated accordingly.
- 34.8 Once a Contract has expired it cannot then be extended.

35 Variations

- 35.1 Variations to Contract shall be dealt with in accordance with these Contracts Procedure Rules and the Council's Financial Regulations.
- 35.2 All Contract variations must be carried out within the scope of the original Contract. Contract variations that materially effect or change the scope of the original Contract are not allowed.
- 35.3 All Contract variations must be in writing and signed by both the Council and the Contractor except where different provisions are made within the Contract documentation. The value of each variation must be assessed by the Authorised Officer and all necessary approvals sought prior to the variation taking place including registration on the Council's forward plan if applicable.
- 35.4 Contracts procured under the EU Regulations **must not** be extended or varied without first consulting Legal Services and the Principal Procurement Officer.
- 35.5 The Authorised Officer shall always be satisfied that the variation will achieve Best Value for Money and is reasonable in all the relevant circumstances.

36. Termination of Contract

- 36.1 For any contract exceeding £100,000 in value, termination shall be approved by the Executive
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Cabinet or Executive Cabinet Portfolio Member. In emergency situations, the relevant Director may authorise termination of Higher Value Contracts. In this case, full details including the reason for the contract termination shall be reported back to Council at a later date.

- 36.2 Contracts of a lesser value than £100,000 may be terminated early by agreement prior to the expiry date or in accordance with the termination provisions set out in the contract. Legal advice should be sought as appropriate.

37. Disposing of surplus goods

- 37.1 Heads of Service are responsible for the disposal of their own surplus goods and shall make adequate and safe arrangements to do so.
- 37.2 An appropriate competitive process shall be applied to the disposal of surplus goods, unless it has been agreed by the Head of Service that the goods in question are to be disposed of to a charitable/not-for-profit organisation, or disposal arrangements have been agreed within the original contract for purchase.

38 Concession Contracts

The rules apply to Concession Contracts (please refer to the Definitions at the back of this document). A simple example would be a concession to pitch an ice cream van and sell ice cream on council land.

39 Waivers of Contract Procedure Rules

- 39.1 Waivers of any of these contract Procedure Rules shall only be given in exceptional circumstances and in all cases must make clear which rules are being waived and be justified because:
- the nature of the market for the works to be carried out or the goods or services to be provided has been investigated and is demonstrated to be such that a departure from the requirements of the Rules is justifiable; or
 - the contract is for works, supplies or services that are required in circumstances of extreme urgency that could not reasonably have been foreseen; or
 - there are other circumstances which are genuinely exceptional and not of the Council's own making.
- 39.2 For Higher Value Procurements, approval for waivers to the Rules must be obtained from Cabinet.
- 39.3 For intermediate value procurements, waivers may be granted by the appropriate Director/Head of Service, in consultation with the relevant Cabinet Member and the Legal Services Manager, prior to contract award.
- 39.4 An e-form will be developed for the purpose of requesting, securing and recording approval for Intermediate Value Waivers. This must be used on all occasions when it is available. In the meantime, a paper report should be produced and retained for this purpose.
- 39.5 Waivers may not be made retrospectively.

40. Non-Compliance

If it comes to the notice of an Authorised Officer that there has been non-compliance with these Contract Procedure Rules in respect of any contract for which s/he is responsible as the Authorised Officer of the procuring department, s/he shall without delay notify the Monitoring Officer who shall take such action as s/he deems necessary. Further if there is any discrepancy between the amount of the Contract Award and the amount actually paid then the matter should also be brought to the attention of the Monitoring Officer without further delay.

41. Change of Authorised Officer

If during the life of a contract there is a change in the Authorised officer who is leading on that particular contract then the outgoing officer should ensure that the new Authorised Officer is fully briefed on all relevant issues relating to that contract.

42. Review and Amendment of Contract Procedure Rules

The Monitoring Officer is responsible for keeping the Rules under review (with a formal review and if necessary revision every three years) and monitoring compliance.

43. Emergency Procedures

Where a need for urgent action arises between meetings of the Cabinet, but is not considered sufficient justification for calling a special meeting, such decision may be taken by the Chief Executive (or other designated officer) in accordance with the requirements of Standing Order Number 38 of the Council's Procedure Rules (standing Orders). Officers should refer to the Constitution or contact Legal Services for further advice and information.

DEFINITIONS

“Annual Procurement Plan”

A plan identifying major projects so that appropriate resources can be identified. It also provides a basis for PINs and other information provided to suppliers to give advance notice of bidding opportunities.

“Authorised Officer”

An Authorised Officer of the Council with appropriate delegated authority to act on the Council’s behalf in accordance with the Constitution.

“Best Value for Money”

The optimum combination of whole life costs and benefits to meet the customer’s requirement. Such term equates to the EU procurement requirement “most economically advantageous offer”.

“Council”

“Council” means South Ribble Borough Council.

“Concession Contract”

A concession contract is used where the Council wishes to engage a party to provide a service, consideration for which is in the form of the party (“the concessionaire”) being given a right to charge the public for the services being provided. A simple example would be a concession to pitch an ice cream van and sell ice cream on council land. If unsure as to whether a proposed contract would come within the scope of this definition please consult with the Legal Services Manager.

“Contract Award Procedure”

One of four procedures as set out in Contract Procedure Rules 13 (Open Procedure), 14 (Restricted Procedure), 15 (Negotiated Procedure) or 16 (Competitive Dialogue Procedure).

“Contracts Finder”

Contracts Finder is the Government’s one stop shop for suppliers to find new procurement opportunities totally free of charge, specifically referred to in the 2015 Public Procurement Regulations

“Contracts Register”

A register held and maintained by the Principal Procurement Officer containing details of contracts entered into by the Authority.

“Framework Agreement”

An agreement which allows the Council to call off from a supplier to provide supplies, services or works in accordance with the terms of the agreement. The Framework Agreement itself usually constitutes a non-binding offer with no obligations on the Authority to call off from the Supplier. If the Council calls off from the Supplier a binding contract comes into being. A Framework Agreement can be a binding agreement where it is executed as a deed.

“Grant Funded Contract”

shall mean a contract which is procured by the Council and is funded or part funded by grant monies.

“ITN”

Invitation to negotiate.

“ITT”

Invitation to tender.

“Key Decision”

A key decision is defined as any decision in relation to a Cabinet function which is likely:

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(a) to result in the Council incurring expenditure which is, or the making of savings which are, significant. The financial threshold above which expenditure/savings become significant is set at £100,000. This financial threshold is applicable to both the revenue and capital budgets.

(b) to be significant in terms of its effect on the communities living in an area comprising two or more Council wards.

“Legal Services Manager”

Legal Services Manager or authorised deputy.

“Local Supplier”

Any Supplier within the South Ribble borough or any neighbouring borough.

“Most Economically Advantageous Offer”

From the Council’s perspective the most economically advantageous offer from a Supplier assessed by reference to relevant evaluation criteria linked to the subject matter of the contract in question for example, quality, price, technical merit, aesthetic and functional characteristics, running costs, cost effectiveness, after sales service and technical assistance, delivery date and delivery period or period of completion.

“OJEU”

Official Journal of the European Union.

PURCHASING CONSORTIUM

A group of public sector bodies which aggregate their requirements and by doing so exact greater leverage from the market. With the agreement of suppliers, if permissible, the consortium may offer its contracts to other local authorities or public bodies.

“Regulations”

The UK regulations implementing the EC public procurement directives.

“RFQ”

Request for quotations.

“STANDING OR APPROVED LISTS OF CONTRACTORS”

A method of procurement where a list of suppliers is drawn up in response to an advertisement in the relevant trade/local press/ website(s). The potential contractors are vetted using the responses to the Pre-Qualification Questionnaire (PQQ) and the list is then used to select specific suppliers for individual contracts. Care needs to be taken to ensure that the list is carefully managed so that it does not become out dated and that it fully represents the range of innovative solutions that may be available in the market.

“Supplier”

Any person or body of persons providing, or seeking to provide, supplies, services or works to the Council.

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**SOUTH RIBBLE BOROUGH COUNCIL
CONTRACT PROCEDURE RULES**

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Contract Procedure Rules

1. Introduction

- 1.1 These Rules form part of the Council's Constitution and are the Council's Contract Procedure Rules for purchasing goods, works and services for the Council. They do not apply to internal purchases or internal service provision, only where you need to buy something from outside the council.
- 1.2 The Rules apply to any contract that results in a payment being made by the Council as well as to some types of contracts where a service is being provided for the Council which results in some income being generated for the Council.
- 1.3 The Rules also apply to the disposal of surplus goods (see paragraph 37) and to Concession Contracts (Paragraph 38).
- 1.4 The Rules also apply when an external body, authority, company, consultant or other person has been engaged to carry out procurement or disposal on behalf of the Council.
- 1.5 Quotations for grant funded contracts for goods, services or works, where they are procured by the Council, should be invited, in accordance with these rules, except to the extent that any specific requirements for the receipt of the grant specify different requirements, in which case the specific grant procedures must be followed, and the procurement completed in accordance with the relevant grant procedural requirements.
- 1.6 The Rules have four main purposes:
 - to comply with the obligations that govern the spending of public money derived from the European Union (EU) procurement regime and applied in the UK through the Public Contracts Regulations (2015);
 - to obtain Best Value in the way we spend money, so that we may in turn offer better and more cost effective services to the public;
 - to avoid corruption and ensure high ethical standards;
 - to protect people who follow the Rules.
- 1.7 The Rules must be read in conjunction with the Council's Financial Procedure Rules, Procurement Guidance and any other internal controls laid down by the Council for example the Council's Anti-Fraud and Corruption Policy and Whistle Blowing policy.

2 Compliance

- 2.1 Every contract entered into by the Council shall be entered into in connection with the Council's functions and must comply with:
 - (a) all relevant statutory provisions;
 - (b) the relevant European procurement rules (i.e. the EUC Treaty, the general principles of EUC law and the UEC public procurement directives implemented by the UK Regulations);
 - (c) the Council's Constitution including these Contract Procedure Rules, the Authority's Financial Regulations and Financial Procedure Rules and the Council's Scheme of Delegation
 - (d) the Council's vision, priorities, enabling strategies and policies (e.g. Corporate Plan,

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Procurement Strategy and Sustainable Procurement Policy)

- 2.2 At all times during the contract award procedure, the Council, through its members and officers, shall consider and implement the principles of non-discrimination, equal treatment and transparency.
- 2.3 The highest standards of probity are required of all officers and members involved in the procurement, award and management of Council contracts. Members shall comply with the Code of Conduct for Councillors, and officers shall comply with the Code of Conduct for Officers.
- 2.4 Effective audit trails must be maintained at all stages throughout the procurement procedure, particularly when approval or agreement is required and at evaluation/decision making stages.

3. Conflicts of Interest, Gifts & Hospitality

- 3.1 Every officer entitled to buy supplies, services or works shall comply with the requirements of the Officer Code of Conduct in respect of conflicts of interest, gifts and hospitality.

4. Procurement Plan

- 4.1 Prior to the start of each financial year, each Director must prepare a procurement plan setting out their department's contracts to be procured (over £259,000) during that financial year, and where possible for forthcoming years. A copy of the plan must be supplied to the Principal Procurement Officer who shall use this information to formulate an Annual Procurement Plan for the Council.
- 4.2 Any procurements planned with a contract value of £100,000 or above should be communicated to Democratic Services for inclusion on the Forward Plan.

5. Who has authority to carry out procurement on behalf of the Council?

- 5.1 Any procurement carried out on behalf of the Council may only be undertaken by officers with the appropriate delegated authority to carry out such tasks as set out in the Council's Constitution (Scheme of Delegation). Officers with delegated authority may only authorise other officers who have the appropriate skills and knowledge appropriate to the task. Officers shall be informed by his/her Director/Service Head, in writing, of the extent of any delegated authority and any applicable financial thresholds for each procurement. These officers shall be known as Authorised Officers.

5.2 Revenue Expenditure

Subject to the provisions of Paragraph 5.6, Directors and their Authorised Officers may seek Tenders and Quotations in accordance with these Contracts Procedure Rules for any item of revenue expenditure for which budget provision has been made, and may accept such Tenders/ Quotations in accordance with these Contracts Procedure Rules, up to a total contract value of £100,000. Contract awards above £100,000 constitute a Key Decision and must appear on the Forward Plan.

5.3 Capital Expenditure.

Subject to the provisions of Paragraph 5.6, Directors and their Authorised Officers may seek Tenders and Quotations in accordance with these Contracts Procedure Rules,

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the particulars of which are shown as approved in the Council's capital programme for the current financial year and which have also been approved/comply with any additional requirements of the Council's Financial Regulations. Directors and their Authorised Officers may accept Tenders /Quotations in accordance with these Contracts Procedure Rules and the Council's Financial Regulations up to a total contract value of £100,000. Contract awards above £100,000 constitute a Key Decision and Cabinet authority must be obtained. Such proposed decisions must appear on the Forward Plan.

- 5.4 For the sake of clarity the decision to commence a procurement exercise (as opposed to a decision to award a contract in the circumstances described in paragraphs 5.2 and 5.3 above) is not deemed to be a Key Decision unless the decision forms part of and is taken at the same time as a decision that will result in a change to service provision which will have a significant effect on two or more wards of the Council
- 5.5 Any procurement which involves the transfer of Council Staff shall be treated as a High Value (above £100,000) Procurement and, as such, Cabinet authority must be sought for such acceptance.
- 5.6 For all High Value Procurements above the EU threshold, prior approval of the proposed contract award procedure including the evaluation criteria and weightings to be applied, shall be sought from the relevant Executive Cabinet Portfolio Member as a delegated decision.

6. Exempt Contracts

- 6.1 The Rules do not apply to the following types of Contract:
 - (a) individual contracts for the provision of temporary staff. (The arrangements with staffing agencies, however, should be subject to a competitive procurement process in accordance with these Contracts Procedure Rules)
 - (b) contracts of employment which make an individual a direct employee of the Council
 - (c) contracts relating solely to disposal or acquisition of an interest in land (including buildings)
 - (d) contracts for advice by and representation by a lawyer with regard to legal proceedings (or contemplated legal proceedings)

If you are in any doubt about whether the Rules apply, you **must** always check with the Principal Procurement Officer.

7. Pre-Procurement Procedure

- 7.1 Before commencing a procurement it is essential that the Authorised Officer leading the procurement has identified the business need and fully assessed any options for meeting those needs. Consideration shall be given to the Council's Procurement Strategy, Sustainable Procurement Policy and procurement guidance, as appropriate.
- 7.2 Before undertaking a procurement the Authorised Officer shall:
 - (a) consider all other means of satisfying the need (including recycling and reuse where appropriate);
 - (b) prepare an estimate of expenditure in accordance with Rule 8;

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- (c) satisfy themselves that they have the necessary authority to deal with the procurement and that there is budget provision for the procurement in accordance with the provisions of Rule 5
- (d) undertake a risk assessment
- (e) complete an Equality Impact Assessment where any change in service provision is proposed that will have Equality Impacts
- (f) establish a business case for the procurement and consider whether the procurement should follow the Council's Project Management Framework/Toolkit. Procurements which may benefit from use of the toolkit are usually higher value and are:
 - unique, new or complex leading to significant system, process or service changes,
 - impact on numerous services
 - have a significant reputational impact on the Council

~~If you are unsure as to whether the Project Management Framework should apply, you should consult your SMT member for a decision.~~

The level of resource and detail deployed in carrying out the requirements of 7.1 and 7.2 shall be appropriate to the nature and the value of the Procurement.

8. Calculating the Contract Value

- 8.1 Prior to commencing any procurement you must estimate the total monetary value of the contract (exclusive of VAT) over its full duration, including any extension options (not the annual value). The estimated total value of the contract will determine which procedure you must then adopt.
- 8.2 Where it is proposed to procure a Contract on terms which will provide for renewal on a "rolling" basis, the Authorised Officer must make a reasonable estimate of the term of the contract in order to estimate the Contract Value. If during the term of the Contract it appears that the estimated Contract Value may be exceeded by anticipated further renewals of the contract, the provisions for contract extension at paragraphs 34.2 to 34.5 shall apply. This rule shall not apply to rolling contracts where the annual value is below £10,000. Such contracts shall be subject to an annual review.
- 8.3 Circumstances may arise where a number of low value contracts of the same type, for regular, routine, similar goods or services for similar goods or services are given to one Contractor within a 12 month period. In this case, 12 months expenditure should be aggregated to determine which procedure should be followed. When the value of those contracts is aggregated the effect may be to move the total purchase from one value band to another. This may mean that a different procurement method has to be followed to comply with these rules, or it may be necessary to seek a waiver of these rules in such circumstances.
 - 8.3.1 The requirement to aggregate under the circumstances described at 8.3 will not apply where The Authorised Officer identifies that the spend activity is:
 - (a) unknown or unplanned and therefore cannot be specified at the commencement of the 12 months period or
 - (b) of a similar general category but is so varied that it would be impractical or difficult to specify, the aggregate annual value is less than £250,000, and a blanket

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discount arrangement, schedule of rates or other such general framework agreement would be impractical and lead to additional cost.

- 8.3.2 In any event, the Authorised Officer shall ensure that best value is achieved, make best use of the Council's purchasing power by aggregating where appropriate, undertake periodic review of the procurement decision, and keep appropriate records including the reason for any decision not to aggregate, throughout.
- 8.4 Authorised Officers should make the best use of the Council's purchasing power by aggregating purchases wherever possible
- 8.5 Contracts must comply with the Public Contracts Regulations and must not be artificially split to avoid these Rules or the Regulations
- 8.6 If, following calculation of the estimated value, the low value route (below) £250,000 is used, and, after evaluating in accordance with the evaluation criteria, the preferred offer is valued at over £250,000, the matter shall be ~~referred initially to the Director/ Head of Service for approval who shall consult the Legal Services Manager. Provided that the preferred offer is within 10% of the pre quote estimate, and the Director/Head of Service and the Legal Services Manager are of the opinion that a robust exercise with an appropriate level of competition has been carried out, with a genuine pre-tender estimate, they may collectively approve the contract award-submitted for approval via the electronic request for waiver form located on Connect which will seek approval from the relevant Director, Legal and Financial services and the relevant Portfolio holder. Provided that the aforementioned are of the opinion that a robust exercise with an appropriate level of competition has been carried out, with a genuine pre-tender estimate, they may collectively approve the contract award.~~
- 8.7 ~~If, following~~ If, following calculation of the estimated value, the intermediate route (below £100,000) is selected, and, after evaluating in accordance with the evaluation criteria, the preferred offer is valued at over £100,000, then the matter shall be referred initially to the Director/ Head of Service for approval who shall consult the Legal Services Manager. The Director/Head of Service and the Legal Services Manager shall be given full details including how the estimated value was calculated, the amount of the estimated value, the value of all quotations received and the evaluation model applied leading to selection of the preferred offer. Provided that the preferred offer is within 10% of the pre tender estimate and the Director/Head of Service and the Legal Services Manager are of the opinion that a robust exercise has been carried out with a genuine pre-tender estimate, they may collectively recommend that the process be continued under the High Value route and that full details of the process followed be included in the subsequent report requesting approval for the award decision to be submitted to Cabinet. In such circumstances Cabinet would be requested to grant a waiver. ~~calculation of the estimated value, the intermediate route (below £100,000) is selected, and, after evaluating in accordance with the evaluation criteria, the preferred offer is valued at over £100,000, then the matter shall be referred initially to the Director/ Head of Service for approval who shall consult the Legal Services Manager. The Director/Head of Service and the Legal Services Manager shall be given full details including how the estimated value was calculated, the amount of the estimated value, the value of all quotations received and the evaluation model applied leading to selection of the preferred offer. Provided that the preferred offer is within 10% of the pre tender estimate and the Director/Head of Service and the Legal Services Manager are of the opinion that a robust exercise has been carried out with a genuine pre-tender estimate, they may collectively recommend that the process be continued under the High Value route and that full details of the process followed be included in the subsequent report requesting approval for the award decision to be submitted to Cabinet.~~

9. Low Value Procurement: Below £250,000

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- 9.1 Where the estimated value or amount of the proposed contract is less than £250,000, The Authorised Officer shall ensure that best value is achieved and that the arrangements made secure the best available terms for the Council. Good practice would be to obtain written or electronic quotations (including at least one local supplier where possible); however, evidenced verbal quotations are acceptable. The Authorised Officer should ensure that the number and type of quotations received are appropriate and proportionate to the contract risk and value. Where the estimated value or amount of the proposed contract is more than £10,000 the expectation is that at least 3 Request for Quotations shall be invited via email or through the Council's e-procurement portal "The Chest" – if this does not happen then the reasons for not so doing should be recorded.
- 9.2 The purchase order must be made on an official purchase order and shall specify the services, supplies or works to be provided and set out the price and terms of payments.
- 9.3 Two authorised officers must be involved in the ordering and receiving process.
- 9.4 Every purchase order (whether issued as a result of higher, intermediate or lower value procurements) **must** contain the current approved standard form of terms and conditions of contract between the Council and the supplier. A quotation and a purchase order will create a legally binding contract.

10. Intermediate Value Procurement: £250,000 to £100,000 (Quotations)

- 10.1 For procurements valued over £250,000 but at or below £100,000 at least 3 Request for Quotations shall be invited through the Council's e-procurement portal "The Chest", before a formal purchase order is issued specifying the supplies, services or works to be provided.
- 10.2 Where an ~~Intermediate Value~~ procurement is above £25,000 in value, and is openly advertised, the 2015 Public Contracts Regulations require that the opportunity is also advertised on the Government one stop shop "Contracts Finder". Additionally, for all contract awards above £25,000, whether the opportunity was openly advertised or not, a Contract Award Notice must be published on Contracts Finder. In both instances, the notices must include the specific details listed in the Regulations, and in both instances, these notices may be accommodated through the Chest.
- 10.3 At least one local supplier should be included in the suppliers to be invited to quote where possible.
- 10.4 Invitations to quote shall:
- (a) specify or refer to a specification of the goods, materials, services or work required and
 - (b) state the date and time by which the quotation must be received and
 - (c) include the instructions for submission and state that no quotation will be considered unless it is received in accordance with those instructions.
 - (d) have the evaluation criteria set out in the invitation to Quote. All quotations shall be evaluated in accordance with the evaluation criteria set out in the quotation documents. All contracts, except where lowest price was predetermined to be the appropriate contract award criterion, shall be awarded on the basis of the offer which represents the Most Economically Advantageous offer to the Council.

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10.5 Where the risk in a specific procurement is perceived to be high, then that procurement shall be treated as a High Value Procurement.

10.6 Any procurement that may involve a transfer of Council staff shall be treated as a High Value Procurement.

11. High Value Procurements: Above £100,000 (Tenders)

11.1 All Procurements with a cumulative value of over £100,000 shall be classed as High Value Procurements.

11.2 Additionally any contract where Council employees may be transferred to other bodies or where risk in the procurement is perceived to be high shall be treated as a High Value Procurement.

11.3 All high value procurements must be advertised on the Council's e-procurement portal "The Chest".

11.4 In addition to advertising on the Chest, all High Value procurements shall be advertised on the Government one stop shop "Contracts Finder" in accordance with the 2015 Public Contracts Regulations. Additionally, for these procurements, a Contract Award Notice must also be published on Contracts Finder. In both instances, the notices must include the specific details listed in the Regulations, and in both instances, these notices can be accommodated through the Chest.

11.5 Nothing in these Rules prevents you from adopting any aspect of the High Value Procurement procedures in the procurement of intermediate or lower value supplies, works or services.

12. Contracts Subject to the Regulations: Above the EU Threshold

12.1 Where the estimated value of a contract exceeds the current EU threshold the contract shall be tendered in accordance with the Regulations. Under the Regulations, the contract may be tendered under the Open, Restricted, or, in exceptional circumstances exhaustively set out in the Regulations, the Competitive Procedure with Negotiation, –Competitive Dialogue or Innovation Partnership procedure. For each contract tendered in accordance with the Regulations, a contract notice shall be published in the prescribed form in the Supplement to the Official Journal to the European Union (OJEU) to invite tenders or expressions of interest

Advertisements published in addition to the OJEU notice must not appear in any form before a contract notice is published by the EU Publications Office and must not contain any information additional to that contained in the contract notice.

12.2 With effect from 1 January 2018 the EU thresholds are as follows:

- (a) Services contracts £181,302;
- (b) Supplies contracts £181,302;
- (c) Schedule 3 (Social & Other Specific) services contracts £615,278
- (d) Works contracts £4,551,413 and
- (e) Concessions £4,551,413

The EU thresholds set out above are revised by the European Commission every two years.

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12.3 The EU Directives and UK Regulations are long and complex, and set out minimum timescales for receipt of expressions of interest and tenders. Officers **must** consult the Shared Procurement Team and Legal Services department prior to commencing any procurement which is subject to the Regulations.

13. Suitability Assessment & Pre-Qualification (Not to be used when procuring from a Framework agreement as suppliers on framework agreements are already pre-qualified)

13.1 In all procurements the Council shall only enter into a contract with a Contractor if it is satisfied as to the Contractor's –

- (a) eligibility
- (b) economic and/or financial standing
- (c) technical and/or professional ability

The level and detail of assessment shall be proportionate to the risk and value of the contract. Shared Financial Services shall be consulted for all procurements above £100,000 for the completion of an appropriate financial assessment, prior to contract award.

13.2 A pre-qualification stage is not permitted in any procurement below the EU threshold for Goods and Services. (currently £181,302 for calendar years 2018/19. -This threshold is updated every two years.) However, suitability assessment questions relating to a potential provider may be asked provided that the questions are relevant and proportionate to the subject matter of the procurement.

13.3 A pre-qualification stage may be used in above EU threshold contracts. However, in all instances, statutory guidance published by Crown Commercial Service (CCS) must be followed. This includes use of a core set of standardised questions. For further information and advice, Authorised Officers should contact the Shared Procurement Team.

13.4 Where appropriate, bidders may self-certify during the tender/ quotation process, with relevant and proportionate checks only being carried out on the shortlisted bidder.

13.5 Any procurement subject to the Regulations shall be in full compliance with those Regulations and the statutory Crown Commercial Service guidance. The Regulations stipulate what must and/or may be taken account of, in assessing eligibility, economic and financial standing and technical and/or professional ability

14 The Invitation to Tender

14.1 The ITT shall include details of the Authority's requirements for the particular contract including:

- (a) a description of the services, supplies or works being procured;
- (b) the procurement timetable including the tender return date and time, which shall allow a reasonable period for the applicants to prepare their tenders;
- (c) instructions for completing and returning the tender documentation
- (d) notification that tenders received after the closing date and time will not be considered
- (e) a specification and instructions on whether any variants are permissible;
- (f) the Council's terms and conditions of contract
- (g) the evaluation criteria including any weightings;

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- (h) pricing mechanism and instructions for completion;
- (i) whether the Council is of the view that TUPE may apply;
- (j) form and content of method statements to be provided
- (k) rules for tender submission;
- (l) any further information which will inform or assist tenderers in preparing tenders.

15. Submission, Receiving and Opening of E-Tenders/Quotations through the Chest

- 15.1 Every response to an invitation to tender/quote for a transaction valued over £250,000 must be submitted through the Chest by no later than the time and date specified for submission of tenders/quotations in the invitation to tender/quotation document.
- 15.2 The Principal Procurement Officer or Authorised deputy shall verify (remove the e-seal) and release all tenders and quotes to the Authorised Officer once the deadline for their receipt has passed. This verification role may be given to a suitably trained Authorised Officer for intermediate value quotes.
- 15.3 The Chest will automatically record the date and time of receipt of each submission and will list late submissions separately. No quotations or tenders which have been received on to the Chest after the deadline for receipt has passed may be considered. However, where a system fault/technical issue has occurred which is beyond the Tenderer's control and which has prevented on-time submission, this may be investigated to verify the circumstances, and the matter referred to the Legal Services Manager and the relevant Director/Assistant Director for a decision as to the way to proceed.
- 15.4 The Principal Procurement Officer or other Authorised Officer shall complete a Record of Tenders/Quotations Received form summarising the quotations received.
- 15.5 The Authorised Officer must notify the Principal Procurement Officer of the eventual outcome of the procurement exercise for entry into the Contracts Register by completing and submitting the final sections of the Record of Tenders/Quotations Received Form.
- 15.6 The closing date for the receipt of tenders/quotations may be extended, in appropriate circumstances, at the written discretion of the Legal Services Manager.
- 15.7 Tenders and Quotations shall not be opened until the deadline has passed for their receipt.

16. Traditional Hard Copy Tenders and Quotes (Exceptional Circumstances Only)

- 16.1 The Council's ~~preferred~~ preferred method of tendering is by electronic means through the Chest. However, in very exceptional circumstances (e.g. contracts where there are items required, which cannot be submitted electronically), tenders and quotes may be submitted in hard copy format with the prior approval of the Legal Services Manager and the Principal Procurement Officer.
- 16.2 Tenders and Quotations received in accordance with Paragraph 16.1 shall be addressed to the Principal Procurement Officer, Shared Financial Services, Town Hall Market Street, Chorley, PR7 1DP in a sealed envelope endorsed with the word "Tender" or "Quotation" as appropriate, followed by the subject matter to which it relates. No marks shall be included upon the envelope that identifies the bidder prior to the opening of the envelope. The Principal Procurement Officer shall record the date and time of receipt of such Tenders and Quotations and shall keep them in a secure place where they shall remain unopened until the time and date specified for their opening.
- 16.3 Tenders and Quotations received in accordance with this paragraph 16 shall be opened by the Principal Procurement Officer or authorised Deputy and at least one other Authorised Officer.

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An immediate record shall be made of the Tenders/Quotations received including tenderer name, value, and the date and time of opening on the Record of Tenders/Quotes Received Form.

17. Evaluation

- 17.1 Tenders subject to the ~~Public Contracts~~EU Regulations shall be evaluated in accordance with the Regulations and the evaluation criteria set out in the OJEU notice and invitation to tender. All other tenders and quotations shall be evaluated in accordance with the evaluation criteria notified to tenderers in the contract notice and/or invitation to tender or Quote.
- 17.2 All contracts, except where lowest price was predetermined to be the appropriate contract award criterion, shall be awarded on the basis of the offer which represents the Most Economically Advantageous Tender to the Council (MEAT).
- 17.3 MEAT evaluation involves scoring tenders objectively by a panel of officers and/or independent experts using criteria which should:
- be pre-determined and listed in the invitation to tender/quotation documentation in descending order of importance;
 - be weighted according to their respective importance. This is mandatory for High Value Tenders and recommended for intermediate value procurements. Authorised officers must consult the Principal Procurement Officer where it is intended not to follow this recommendation for intermediate value procurements above £50,000 and provide a valid justification for this.;
 - be strictly observed at all times throughout the tender process;
 - reflect the principles of Best Value;
 - include price;
 - adopt whole-life costing where appropriate, particularly in the case of capital equipment where the full cost of maintenance, decommissioning and disposal should be taken into account ~~as appropriate.~~ Additionally, the use of energy efficient products or the use of sustainable materials with a longer life span may impact on the whole life cost;
 - be capable of objective assessment;
 - include, where applicable, the quality of the tenderers' proposals to accept a transfer of staff under the Transfer of Undertakings (Protection of Employment) Regulations 2006 (TUPE); and
 - avoid discrimination or perceived discrimination on the basis of nationality, or other cause contrary to any of the Council's policies.

Where this evaluation methodology is used, any resulting contract must be awarded to the tenderer which submits the most economically advantageous tender, i.e. the tender that achieves the highest score in the objective assessment.

- 17.4 The evaluation criteria must be consistently and strictly observed at all times through the contract award procedure by any officer involved in the ~~quotation~~tender evaluation process. The Authorised Officer must keep comprehensive records of the evaluation exercise including the scores and comments and justification for those scores and shall sign the final selection

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record.

- 17.5 For each contract above £100,000, the Authorised Officer shall form an Evaluation Team with responsibility for evaluating tenders. The Authorised Officer shall keep comprehensive written records of the evaluation exercise including the scores and comments and justification for those scores, and the lead officers of the evaluation team shall sign the final selection record.

18. Tender/Quotation Clarification

- 18.1 Bidders may request clarification on aspects of the Tender/Quotation documentation prior to submission by submitting a clarification question through the Chest. The Authorised Officer must ensure equal treatment of all bidders, and where relevant should anonymise the question and publish that together with the response to all potential bidders through the Chest. Care should be taken not to reveal the identity of the Tenderer or any information which may be deemed to be commercially confidential to them during the clarification process.
- 18.2 During the evaluation process, Authorised Officers may clarify aspects of a submitted Tender or a Quotation which are unclear, lacking in detail, ambiguous or appear to show a misunderstanding of the requirements. The areas requiring clarification should be set out in writing by the procurer and a written response requested from the bidder. All such communications should be issued or recorded through the Chest to ensure a full e-audit trail of the procurement.
- 18.3 For more complex service procurements where officers want to obtain a fuller understanding of bidders' proposals and method statements it may be appropriate to hold a clarification meeting. In such circumstances a formal written record of the meeting shall be completed and agreed by all parties. Minor points of clarification and obvious errors (e.g. mathematical error) should be dealt with in accordance with Clause 18.2 above and should not require a meeting.

When conducting clarification, as throughout the procurement process, the Authorised Officer must bear in mind the rules and principles of the EU Regulations i.e. transparency, equal treatment and non-discrimination.

19. Errors in Tenders/Quotations

- 19.1 Errors in Tenders/Quotations must be dealt with by asking the Tenderer to confirm the Tender as submitted or withdraw their bid. However, where a Tenderer has made a visible and genuine arithmetical error they may be given an opportunity to correct that error. Other than where specifically provided for in the Regulations ([e.g.g.](#) when using the Competitive Dialogue procedure) no other adjustment, revision or qualification is permitted.
- 19.2 Tenders/Quotations must state how errors in Tenders/Quotations must be dealt with.
- 19.3 Careful consideration must be given to the effect of any procedure adopted when dealing with errors in Tenders and the reflection which any such procedure may have on the integrity on the officers and members of the Council. It is essential that the procedure adopted is transparent, fair and equitable with equal treatment to all bidders.

20 Post Tender Negotiation

- 20.1 Where procurement is conducted pursuant to the Regulations through either the Open or Restricted procedures no post tender negotiations are permitted. However, the Council may seek clarification from Suppliers where appropriate.

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20.2 At all times during the procurement (whether subject to the Regulations or not), the Council shall consider and implement the principles of non-discrimination, equal treatment and transparency.

21. Bonds, Guarantees and Insurance

21.1 For high value procurements, the Authorised Officer shall consider and include in the procurement documentation, whether a performance bond and/or a parent company guarantee (if applicable) shall be required from the preferred Supplier.

21.2 The Authorised Officer shall consider and include, where relevant, in the Tender documentation the appropriate type (employee liability, public liability, professional indemnity, etc.) and level of insurance requirements for each contract.

22 Awarding Contracts

22.1 The Council shall only award a contract where at the time of contract award this represents the Most Economically Advantageous offer or is the lowest price depending on contract award criterion included in the OJEU notice or Invitation to Tender/Quote.

22.2 A contract must only be awarded and signed by a person authorised to do so, who must ensure that the appropriate budget holder has the funds in place to sustain the contract prior to award.

22.3 Directors/Heads of Service should ensure that proper records of all procurement activity are retained in electronic or hard copy format as appropriate.

22.4 All High Value contract award decisions and any which involve any potential transfer of the Council's employees shall be referred to Executive Cabinet.

22.5 Any procurement of £100,000 or more in value constitutes a key decision and must therefore be included in the relevant Forward Plan as described in the Council's Constitution, before the contract award decision is taken.

22.6 The highest standards of probity are required of all officers and members involved in the procurement, award and management of Council contracts. It is essential to maintain effective audit trails at all stages throughout the procurement procedure particularly where approval or agreement is required.

23 Standstill Period

23.1 For all contracts tendered under the Regulations, a ten calendar day (where electronic communication is used or 15 calendar days where non-electronic communication is used) 'standstill period' must be observed between the decision to award and contract conclusion. Although the Standstill period is counted in calendar days, it must end on a working day. Authorised Officers should consult the Shared Procurement Team for advice on the specific detail which must be included in Standstill Letters under the Regulations. The Standstill period is an express requirement in the Regulations and must be followed. ~~TC~~"

24. Contract Award Notice

24.1 All contracts awarded under the Regulations must be announced by means of a Contract Award Notice in OJEU transmitted no later than 30 calendar days after the date of the award.

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24.2 All contracts awarded above £25,000 in value whether openly advertised or not must be published on Contracts Finder in accordance with the Regulations and published Crown Commercial Service (CCS) guidance.

25. Letters of Intent

25.1 Letters of intent shall only be used in exceptional circumstances and, by prior written agreement with the Legal Services Manager, as follows:

(a) Where a Supplier is required to provide services, supplies or works prior to formal written acceptance by the Council; or

(b) Where the Council's form of tender does not include a statement that until such time as a formal contract is executed, the Council's written acceptance of a tender shall bind the parties into a contractual relationship.

26. Contract Terms and Conditions

26.1 Contracts shall be entered into on the Council's terms and conditions, or an appropriate industry standard form of contract or other form of contract approved by Legal Services. This may be a supplier's contract suitably amended to protect the Council's interests. However where the contract has been tendered the contract shall be in accordance with the tender Conditions. The Contract Conditions shall be included with each purchase order and invitation to tender or ~~quote~~~~negotiate~~.

26.2 In all cases, before a contract is entered into, Authorised Officers must ensure that they have authority to enter into the proposed contract for the full contract value including any extension option and fully understand the contractual obligations. In particular where Conditions other than the Council's terms and conditions are to be used, Authorised Officers must ensure they fully understand the contractual obligations including any notice periods which must be observed to prevent any non-authorised automatic roll-on.

26.3~~2~~ Where contracts are subject to the Regulations, the rules relating to technical specifications shall be followed and any reference to a technical standard, make or type shall be prefaced with the words "or equivalent".

27. Execution of Contracts

27.1 Any contracts valued at above £100,000 shall be passed to Legal Services for sealing execution and secure storage, unless otherwise agreed with the Legal Services Manager.

27.2 All contracts valued at above £20,000 but below £100,000 should be signed by at least two appropriately Authorised Officers.

27.3 All other contracts may be signed by an officer with the appropriate authority.

27.4 Electronic signatures may be used in accordance with the Electronic Signature Regulations 2002 provided the sufficiency of security arrangements has been approved by the Legal Services Manager.

28. Records of Tenders and Contracts/Contracts Register

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- 28.1 Each Director/Head of Service shall maintain his/her own register of all contracts entered into by his/her department.
- 28.2 The Principal Procurement Officer shall maintain a register of all Higher Value and Intermediate value contracts entered into by the Council.
- 28.3 Authorised Officers shall notify the Principal Procurement Officer of all intermediate and high value contract awards for entry into the Contracts/ Transparency Register by completing and submitting the final sections of the Record of Tenders and Quotations Received Form.
- 28.4 Additionally the Authorised Officer must notify the Principal Procurement Officer of all contracts awarded, above £5000, as soon as possible after the Contract Award, for inclusion in the Contract/Transparency Register.

~~28.5~~ 28.5 Quarterly publication of the Council's Contracts/Transparency Register is a mandatory requirement of the Local Government Transparency Code. Each Director/Assistant Director and/or Authorised Officer shall ensure the accuracy of the Council's Contracts/Transparency Register by responding to the quarterly return issued by the procurement team.

29. Approved / Standing List of Contractors

- 29.1 The Council may maintain Approved Standing lists of Suppliers that meet its suitability requirements. Quotations and tenders for contracts that are not subject to the Regulations may be invited from Suppliers included on an approved list. Where the Authority intends to use an approved list for services, supplies or works contracts, the Approved List should be reviewed and advertised on a regular basis.
- 29.2 Each Approved Standing List shall:
- (a) be compiled and maintained by the relevant Authorised Officer;
 - (b) contain the names of all persons who wish to be included in it and who after appropriate enquiries have been made by the Authorised Officer concerned, are approved by the Council or Cabinet as provided for in the scheme of delegation; and
 - (c) indicate whether a person whose name is included in it is approved for contracts for all, or only some, of the specified values or amounts or categories.
- 29.3 At least four weeks before each Standing List is first compiled, a notice inviting applications for inclusion in it shall be published on the Chest, and where relevant Contracts Finder
- 29.4 Each Standing List shall be amended as required from time to time to include new applications for inclusion and to delete any person no longer thought fit to be included. Each Standing List shall be formally reviewed in the manner set out below by the appropriate Director/ Head of Service at intervals not exceeding three years. At least four weeks before each review, each person whose name appears in the Standing List shall be asked whether s/he wishes his/her name to remain there. Notices inviting applications for inclusion in the list shall be published in the manner provided by Contract Procedure Rule 29.3 above.
- 29.5 Where an invitation to tender for a contract is limited to those named on the Standing List maintained under this Contract Procedure Rule, an invitation to tender for that contract shall be sent to at least four of the persons on the list. These people will be approved for a contract for that value or amount or of that category, or, if there are fewer than four such persons, to all such persons. If there are more than four people, the Authorised Officer, will select the people who will receive invitations, and the manner in which they are sent. This will be either generally

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or in relation to a particular contract or to a category of contracts provided that the manner of selection shall include a system of rotation from persons appearing on the Standing List.

30. Nominated and Named Sub-contractors

If a sub-contractor, supplier or sub-consultant is to be nominated or named to a main contractor, quotations or tenders must be invited in accordance with these Contracts Procedure Rules and the terms of the invitation shall be compatible with the main contract.

31 Framework Agreements

31.1 Framework agreements are agreements with suppliers for the provision of supplies, works or services on agreed terms for a specific period. Unlike normal contracts which require certainty (on price, quantity and other details), Framework Agreements usually state only non-binding estimated quantities against which orders are placed as and when required during the contract period (sometimes this procedure is known as "call-off"). As soon as the quantity/price etc are fixed and an order placed, a contract is formed. Frameworks offer benefits of bulk-buying, improved service and reduced administration costs over the period of the arrangement.

31.2 A framework agreement may have the option or requirement for you to hold a "further - competition" with all of the suppliers included on the framework who are capable of meeting your requirement. Quotations invited under a further competition shall be received and opened in accordance with these Contract Procedure Rules, unless received and opened by the public sector framework provider (e.g. Yorkshire Purchasing Organisation) on the Council's behalf, who may receive and open such bids in accordance with their contract procedural rules.

31.3 All Framework agreements procured by the Council must be tendered in accordance with these Contract Procedure Rules.

31.4 Where the Council has entered into a Framework Agreement through procurement or is able to place orders from existing Framework Agreements procured by central government agencies, public sector consortia, other local authorities or other third parties, then the Council may benefit from using those contracts without entering into a full, separate procurement.

31.5 Where a public sector framework is used in accordance with the above provisions, without entering into a full, separate procurement process, all other relevant aspects of these procurement rules will still apply, including any approval which may be required for the procurement award procedure (in this case to use the identified framework), approval for the evaluation criteria and weightings (in the event of a further competition under the framework), and approval for the contact award prior to contract acceptance.

31.6 Authorised Officers shall investigate whether call-off contracts or frameworks are relevant to their procurement activity as better value for the Council may be obtained by using an existing Council or other framework.

31.7 Legal/Procurement Advice should be sought in advance before awarding a contract to a supplier using a framework agreement not procured directly by the Council.

31.8 Any appropriate Council Framework Agreements in place shall be used regardless of value, provided the standing order requirements in relation to delegated authority are met. An effective audit trail shall be maintained.

32. Joint / Collaborative Procurement

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- 32.1 Authority to engage in joint/ collaborative procurement activity shall be in accordance with the requirements of paragraph 5. However, in the event that the joint/ collaborative procurement activity requires a commitment at the outset, prior to bids being invited, Cabinet approval must be obtained prior to committing to the joint/ collaborative procurement where the estimated value of the Council's proportion of the procurement exceeds £100,000.
- 32.2 The Authorised Officer shall ensure that the joint/collaborative procurement activity complies fully with the EU Procurement Regulations
- 32.3 In any joint or collaborative procurement process the parties involved in the procurement should appoint a "lead body" to carry out the procurement. The procurement should then be conducted in accordance with the lead body's Rules. If this approach requires any waivers of the lead body's Rules, it shall be that body's responsibility to seek approval for, and obtain, such waiver(s).

33. Procurement by Consultants

Any consultants used by the Council shall be appointed in accordance with these Contracts Procedure Rules. Where the Council uses consultants to act on its behalf in relation to any procurement, then the Authorised Officer shall ensure that the consultants carry out any procurement in accordance with these Contracts Procedure Rules. No consultant shall make any decision on whether to award a contract or who a contract should be awarded to. The Authorised Officer shall ensure that the consultant's performance is monitored.

34. Contract Extension

- 34.1 Any contract which has been procured in accordance with these Rules may be extended in accordance with its terms (subject to financial resources) by the Director/Head of Service or Authorised Officer provided an extension clause was included for within the contract terms and conditions.
- 34.2 Other existing Contracts which have been procured in accordance with these Rules may be extended by the Director/Head of Service or Authorised Officer, provided that the total period of this and any previous extension will not together exceed 1 year. The authorised officer must keep a record of the reason for the decision to so extend. A formal Waiver of the Rules must be obtained if the proposed extension will add more than £250,000, or more than 20% (whichever is the higher) to the original total Contract value.
- 34.3 Any extension exceeding £100,000 in value shall require the approval of the Executive Cabinet or relevant Executive Cabinet Portfolio Member.
- 34.4 If the original contract was subject to the ~~Public Contract EU procurement R~~egulations, the contract can only be extended within the parameters identified in the original EU contract notice ~~and/or as provided for within the Regulations~~. If the contract was not subject to ~~the the EU procurement R~~egulations, any extension must not take the total value of the contract above the relevant EU thresholds.
- 34.5 If the contract was awarded as a framework agreement, the total framework period, including any extensions, cannot exceed four years, except in exceptional circumstances relating to the subject of the framework agreement. For example, a longer duration could be justified in order to ensure effective competition if four years would not be sufficient to provide return on investment.

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- 34.6 When negotiating a contract extension the authorised officer must make every effort to negotiate improved contract terms with regard to the cost and quality and shall always be satisfied that the extension will achieve Best Value for Money and is reasonable in all the relevant circumstances.
- 34.7 All extensions to any Council contracts must be in writing and reported to the Principal Procurement Officer in order that the Contracts Register can be updated accordingly.
- 34.8 Once a Contract has expired it cannot then be extended.

35 Variations

- 35.1 Variations to Contract shall be dealt with in accordance with these Contracts Procedure Rules and the Council's Financial Regulations.
- 35.2 All Contract variations must be carried out within the scope of the original Contract. Contract variations that materially ~~effect~~affect or change the scope of the original Contract are not allowed.
- 35.3 All Contract variations must be in writing and signed by both the Council and the Contractor except where different provisions are made within the Contract documentation. The value of each variation must be assessed by the Authorised Officer and all necessary approvals sought prior to the variation taking place including registration on the Council's forward plan if applicable.
- 35.4 Contracts procured under the EU Regulations **must not** be extended or varied without first consulting Legal Services and the Principal Procurement Officer.
- 35.5 The Authorised Officer shall always be satisfied that the variation will achieve Best Value for Money and is reasonable in all the relevant circumstances.

36. Termination of Contract

- 36.1 For any contract exceeding £100,000 in value, termination shall be approved by the Executive Cabinet or Executive Cabinet Portfolio Member. In emergency situations, the relevant Director may authorise termination of Higher Value Contracts. In this case, full details including the reason for the contract termination shall be reported back to Council at a later date.
- 36.2 Contracts of a lesser value than £100,000 may be terminated early by agreement prior to the expiry date or in accordance with the termination provisions set out in the contract. Legal advice should be sought as appropriate.

37. Disposing of surplus goods

- 37.1 Heads of Service are responsible for the disposal of their own surplus goods and shall make adequate and safe arrangements to do so.
- 37.2 An appropriate competitive process shall be applied to the disposal of surplus goods, unless it has been agreed by the Head of Service that the goods in question are to be disposed of to a charitable/not-for-profit organisation, or disposal arrangements have been agreed within the original contract for purchase.

38 Concession Contracts

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The rules apply to Concession Contracts (please refer to the Definitions at the back of this document). A simple example would be a concession to pitch an ice cream van and sell ice cream on council land.

39 Waivers of Contract Procedure Rules

39.1 Waivers of any of these contract Procedure Rules shall only be given in exceptional circumstances and in all cases must make clear which rules are being waived and be justified because:

- the nature of the market for the works to be carried out or the goods or services to be provided has been investigated and is demonstrated to be such that a departure from the requirements of the Rules is justifiable; or
- the contract is for works, supplies or services that are required in circumstances of extreme urgency that could not reasonably have been foreseen; or
- there are other circumstances which are genuinely exceptional and not of the Council's own making.

39.2 For Higher Value Procurements, approval for waivers to the Rules must be obtained from Cabinet.

39.3 For intermediate value procurements, Authorised Officers shall submit waiver requests which meet the requirements of this paragraph 39 via the electronic waiver request procedure located on Connect. On submission of the request, approval will be automatically sought from the relevant Director, Legal and Financial services and the relevant Portfolio Holder, all of whom must approve the request for it to be fully approved.

~~waivers may be granted by the appropriate Director/Head of Service, in consultation with the relevant Cabinet Member and the Legal Services Manager, prior to contract award.~~

~~39.4 An e form will be developed for the purpose of requesting, securing and recording approval for Intermediate Value Waivers. This must be used on all occasions when it is available. In the meantime, a paper report should be produced and retained for this purpose.~~

39.45 Waivers may not be made retrospectively.

39.5 A contract award notice must be published on Contracts Finder for any contract awarded above £25,000 in value.

40. Non-Compliance

If it comes to the notice of an Authorised Officer that there has been non-compliance with these Contract Procedure Rules in respect of any contract for which s/he is responsible as the Authorised Officer of the procuring department, s/he shall without delay notify the Monitoring Officer who shall take such action as s/he deems necessary. Further if there is any discrepancy between the amount of the Contract Award and the amount actually paid then the matter should also be brought to the attention of the Monitoring Officer without further delay.

41. Change of Authorised Officer

If during the life of a contract there is a change in the Authorised officer who is leading on that particular contract then the outgoing officer should (wherever possible) ensure that the

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—new Authorised Officer is fully briefed on all relevant issues relating to that contract.

42. Review and Amendment of Contract Procedure Rules

The Monitoring Officer is responsible for keeping the Rules under review (with a formal review and if necessary revision every three years) and monitoring compliance.

43. Emergency Procedures

Where a need for urgent action arises between meetings of the Cabinet, but is not considered sufficient justification for calling a special meeting, such decision may be taken by the Chief Executive (or other designated officer) in accordance with the requirements of Standing Order Number 38 of the Council's Procedure Rules (standing Orders). Officers should refer to the Constitution or contact Legal Services for further advice and information.

DEFINITIONS

“Annual Procurement Plan”

A plan identifying major projects so that appropriate resources can be identified. It also provides a basis for PINs and other information provided to suppliers to give advance notice of bidding opportunities.

“Authorised Officer”

An Authorised Officer of the Council with appropriate delegated authority to act on the Council's behalf in accordance with the Constitution.

“Best Value for Money”

The optimum combination of whole life costs and benefits to meet the customer's requirement. Such term equates to the EU procurement requirement “most economically advantageous offer”.

“Council”

“Council” means South Ribble Borough Council.

“Concession Contract”

A concession contract is used where the Council wishes to engage a party to provide a service, consideration for which is in the form of the party (“the concessionaire”) being given a right to charge the public for the services being provided. A simple example would be a concession to pitch an ice cream van and sell ice cream on council land. If unsure as to whether a proposed contract would come within the scope of this definition please consult with the Legal Services Manager.

~~“Contract Award Procedure”~~

~~One of four procedures as set out in Contract Procedure Rules 13 (Open Procedure), 14 (Restricted Procedure), 15 (Negotiated Procedure or 16 (Competitive Dialogue Procedure).~~

“Contracts Finder”

Contracts Finder is the Government's one stop shop for suppliers to find new procurement opportunities totally free of charge, specifically referred to in the 2015 Public Procurement Regulations

“Contracts/Transparency Register”

A register held and maintained by the Principal Procurement Officer containing details of contracts entered into by the Authority.

“Framework Agreement”

An agreement which allows the Council to call off from a supplier to provide supplies, services or works in accordance with the terms of the agreement. The Framework Agreement itself usually constitutes a non-binding offer with no obligations on the Authority to call off from the Supplier. If the Council calls off from the Supplier a binding contract comes into being. A Framework Agreement can be a binding agreement where it is executed as a deed.

“Grant Funded Contract”

shall mean a contract which is procured by the Council and is funded or part funded by grant monies.

“ITN”

Invitation to negotiate.

“ITT”

Invitation to tender.

“Key Decision”

A key decision is defined as any decision in relation to a Cabinet function which is likely:

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(a) to result in the Council incurring expenditure which is, or the making of savings which are, significant. The financial threshold above which expenditure/savings become significant is set at £100,000. This financial threshold is applicable to both the revenue and capital budgets.
(b) to be significant in terms of its effect on the communities living in an area comprising two or more Council wards.

“Legal Services Manager”

Legal Services Manager or authorised deputy.

“Local Supplier”

Any Supplier within the South Ribble borough or any neighbouring borough.

“Most Economically Advantageous Offer”

From the Council’s perspective the most economically advantageous offer from a Supplier assessed by reference to relevant evaluation criteria linked to the subject matter of the contract in question for example, quality, price, technical merit, aesthetic and functional characteristics, running costs, cost effectiveness, after sales service and technical assistance, delivery date and delivery period or period of completion.

“OJEU”

Official Journal of the European Union.

“PIN”

[Prior information Notice for publication in OJEU](#)

“Principal Procurement Officer”

[Principal Procurement Officer or Authorised Deputy](#)

PURCHASING CONSORTIUM

A group of public sector bodies which aggregate their requirements and by doing so exact greater leverage from the market. With the agreement of suppliers, if permissible, the consortium may offer its contracts to other local authorities or public bodies.

“Regulations”

The [Public Contracts Regulations implementing the EU public procurement directives in to UK legislation](#); ~~UK regulations implementing the EC public procurement directives.~~

“RFQ”

Request for quotations.

“STANDING OR APPROVED LISTS OF CONTRACTORS”

A method of procurement where a list of suppliers is drawn up in response to an advertisement in the relevant trade/local press/ website(s). The potential contractors are vetted using the responses to the Pre-Qualification Questionnaire (PQQ) and the list is then used to select specific suppliers for individual contracts. Care needs to be taken to ensure that the list is carefully managed so that it does not become out dated and that it fully represents the range of innovative solutions that may be available in the market.

“Supplier”

Any person or body of persons providing, or seeking to provide, supplies, services or works to the Council.

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REPORT TO	ON
COUNCIL	Wednesday, 29 January 2020



TITLE	PORTFOLIO	REPORT OF
Amendments to Committee Appointments	Leader of the Council	Assistant Director of Scrutiny and Democratic Services

PURPOSE OF THE REPORT

- Members are asked to approve the appointments to Committees.

PORTFOLIO RECOMMENDATIONS

- It is recommended that:
 - Councillor James Flannery replaces Councillor Ken Jones as a member of the Licensing and Public Safety Committee.
 - Councillor James Flannery is appointed the Chair of the Licensing and Public Safety Committee.
 - Councillor Colin Sharples replaces Councillor James Flannery as a member of the Governance Committee.
 - Councillor Colin Sharples is appointed the Vice-Chair of the Governance Committee.
 - Councillor Keith Martin replaces Councillor Ken Jones as Chair of the Climate Change Emergency Task Group.

REASONS FOR THE DECISION

- To allocate committee places in accordance with the Political Balance Rules and ensure effective decision making.

CORPORATE OUTCOMES

- The report relates to the following corporate priorities:

Excellence, Investment and Financial Sustainability	√
Health, Wellbeing and Safety	
Place, Homes and Environment	

Projects relating to People in the Corporate Plan:

Our People and Communities	√
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PROPOSALS

Licensing and Public Safety Committee

5. It is proposed that Councillor James Flannery replaces Councillor Ken Jones as a member of the Licensing and Public Safety Committee. It is also proposed that Councillor James Flannery will be appointed as Chair of the Licensing and Public Safety Committee for the remainder of the 2019/20 municipal year.

Governance Committee

6. Following the appointment of Councillor James Flannery to the Licensing and Public Safety Committee, it is proposed that Councillor Colin Sharples be appointed to the Governance Committee.
7. It is further proposed that Councillor Colin Sharples will be appointed as Vice-Chair of the Governance Committee for the remainder of the 2019/20 municipal year.

Climate Emergency Task Group

8. It is proposed that Councillor Keith Martin be appointed as the Chair of the Climate Change Emergency Task Group, replacing Councillor Ken Jones who will remain a member of the group.

RISK MANAGEMENT

9. It is important to have robust decision-making process in place for the delivery of projects within the Council's Corporate Plan and work of the Council and its Committees.

EQUALITY AND DIVERSITY IMPACT

10. To ensure that Committees are appropriately represented.

COMMENTS OF THE STATUTORY FINANCE OFFICER

11. This report has no financial implications.

COMMENTS OF THE MONITORING OFFICER

12. There are no issues to raise from a Monitoring Officer perspective. What is proposed is in accordance with the Constitution.

Darren Cranshaw
Assistant Director of Scrutiny and Democratic Services

Report Author:	Telephone:	Date:
Coral Astbury (Democratic and Member Services Officer)	01772 625308	21 January 2020

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By virtue of paragraph(s) 3, 5 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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