

Southend-on-Sea Borough Council

Department of the Chief Executive

John Williams - Director of Democratic & Legal Services

Our ref: Rh/Council

Telephone: **01702 215000**

Your ref:

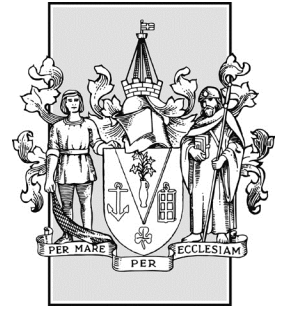
Fax: **01702 215994**

Date: 16th February 2018

E-mail: **committeesection@southend.gov.uk**

Contact Name: Robert Harris

DX 2812 Southend



Dear Councillor

THE COUNCIL - THURSDAY, 22ND FEBRUARY, 2018 – SUPPLEMENTARY PACK

Please find enclosed, for consideration at the next meeting of the The Council taking place on Thursday, 22nd February, 2018, at 6.30pm the following reports and minutes that were unavailable when the agenda was printed.

- | Agenda No | Item |
|------------------|---|
| 8. | <u>Council Budget 2018/19 (Pages 1 - 38)</u> – report of the Director of Finance and Resources attached |
| 21. | <u>Minutes of the meeting of Cabinet held Tuesday 13 February 2018 (Pages 39 - 46)</u> – Minutes attached |
| 22. | <u>Minutes of the meeting of Special Cabinet held Tuesday 13th February 2018 (Pages 47 - 50)</u> – Minutes attached |
| 23. | <u>Minutes of the meeting of Special Place Scrutiny Committee held Wednesday 14 February 2018 (Pages 51 - 54)</u> – Minutes attached |
| 27. | <u>Changes to the Constitution (Pages 55 - 92)</u> – report of the Director of Legal & Democratic Services attached |

Robert Harris
Principal Democratic Services Officer
Legal & Democratic Services

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Southend-on-Sea Borough Council

Report of Corporate Management Team
to
Council
on
22 February 2018

Report prepared by: Joe Chesterton
Director of Finance and Resources

Agenda
Item No.

8

Council Budget 2018/19

Executive Councillor: Councillor John Lamb

A Part 1 Public Agenda Item

1. Purpose of Report

- 1.1 The purpose of this report is for Council to approve the setting of a revenue budget and Council Tax for 2018/19 and a Capital Programme for 2017/18 to 2021/22.
- 1.2 In addition, it deals with the Housing Revenue Account and related rent levels, Fees and Charges and Treasury Management including Prudential Indicators.
- 1.3 Comprehensive reports to the Cabinet on 18 January and 13 February 2018 set out the issues affecting the Council's budgetary position for 2018/19 including the provisional Local Government Finance Settlement with a verbal update at that latter meeting with the position on the final Settlement.
- 1.4 In accordance with the Council's Constitution, the Cabinet on 13 February 2018 agreed to recommend a revenue budget (including HRA and Fees and Charges), Council Tax, three year financial projections and indicative savings and investments for 2018/19, Capital Programme and Prudential indicators to Council for approval.
- 1.5 The formal Council Tax setting resolution is also presented in this report.
- 1.6 Council is now required to consider and agree these matters.

2. Recommendations

That the Council considers the information contained in this report and the related reports to Cabinet on 13 February 2018 to agree:

2.1 A 2018/19 revenue budget and

- **a Council Tax increase of 4.49% for the Southend-on-Sea element of the Council Tax for 2018/19, being 2.99% for general use and 1.5% for Adult Social care;**
- **the use of £2.5 million of the collection fund for the core budget;**
- **to note the increase in the Council Tax level of 1.95% for the precepting authority the Essex Fire & Rescue Services;**
- **to note the increase in the Council Tax level of 7.62% for the precepting authority the Essex Police;**
- **to note the increase in the precept level of 1.96% for Leigh-on-Sea Town Council;**

2.2 The final levy position for 2018/19;

2.3 A Capital Programme for 2017/18 to 2021/22 (Appendices 3 (i) and (ii));

2.4 The recommendations from Cabinet 13 February 2018 for the HRA and associated rent levels, Fees and Charges, and Treasury Management including Prudential Indicators;

2.5 The Statutory Budget Determinations and amount of Council Tax for Southend-on-Sea Borough Council (Appendix 4);

2.6 The Council's four year financial plan and associated Medium Term Financial Strategy (Appendix 5);

2.7 The direction of travel for 2019/20 and beyond (Section 8);

3. Background

3.1 The various budgets and associated matters of the Council have been considered at the Cabinet meetings of 18 January 2018 and 13 February 2018 and at the various Scrutiny Committees from 29 January to 31 January 2018 and the Business Sector and Voluntary Sector consultation meeting on 18 January 2018, as outlined below:

- *The General Fund Revenue Budget 2018/19;*
- *Fees and Charges 2018/19;*
- *Housing Revenue Account Budget and Rent Levels 2018/19;*
- *Capital Programme 2017/18 to 2021/22;*
- *Treasury Management and Prudential Indicators 2018/19 (Treasury Management scrutinised at Audit Committee 17 January 2018 and not Scrutiny Committees).*

3.2 The Cabinet recommended to Council;

Firstly, the proposals on the Revenue Budget and Council Tax Level as set out at Appendices 1 & 2 and secondly a Capital Programme as set out at Appendix 3. Other recommendations surrounded the HRA Budget and rent levels, Fees and Charges and Treasury Management including Prudential Indicators. Details of all these items and relevant recommendations are all contained in the suite of Cabinet reports presented on 13 February 2018.

3.3 The Council must set its revenue budget and Council Tax by 11 March of the preceding year. If, for whatever reason, the Council cannot agree a budget and Council Tax on 22 February 2018, Members should be aware that it is unlikely that the Council Tax bills could be sent out on time for the 1 April instalment (taking into account the necessary notice period and the time required to print the bills and the accompanying leaflet). Such a delay will increase costs significantly by circa £100k-£200k and will need to be built into the budget. It is also highly likely that this will also translate into a higher level of un-collectable debt and debt collection costs and will significantly impact on Council Tax performance indicators.

3.4 In setting its budget, the Council is required to approve a full Council Tax resolution including the Adult Social Care, Police, Fire and parish precepts, including any recommendations for special expenses. The Statutory budget determination to set the amount of Council Tax for Southend-on-Sea Borough Council for all valuation bands from A to H is shown in Appendix 4.

4. Corporate Issues

- 4.1 The Chief Financial Officer is required to make a statement on the adequacy of reserves and the robustness of the budget. This is a statutory duty under section 25 of the Local Government Act 2003.
- 4.2 The position on reserves is addressed within the S151 Officer Statement to Cabinet on 13 February 2018 (Appendix 1 of the General Fund Revenue Budget 2018/19 report.) In addition, further detail is contained in the Medium Term Financial Strategy Appendix 17 within the same report.
- 4.3 For 2018/19, the overall level of contingency (including redundancy and inflation) within the proposed budget is £5.716 million.
- 4.4 The position on Council Tax capping was amended by the introduction of the Localism Act in December 2011. The provisions in the Localism Act 2011 abolished Whitehall capping in England and instead provides local residents with a power to approve or veto excessive council tax rises. The new provisions require the Secretary of State to propose principles defining an excessive increase in council tax for any financial year. The main principle to be determined relates to the increase in Band D council tax (subject to certain adjustments) from one year to the next. A Council Tax referendum will only be required to be held in relation to an authority's council tax increase in 2018/19 if the amount set by the authority exceeds the council tax excessiveness principles applying to that year. For 2018/19 the position is as follows;
- The Secretary of State has set the council tax principles for 2018/19 as part of the Local Government Finance settlement. These are that local authorities with responsibility for Adult Social Care will be required to seek the approval of their local electorate in a referendum if, compared with 2017/18, they set a council tax increase (including the adult social care precept) that equals or exceeds 6.0%.
- 4.5 In agreeing a proposed increase of 4.49% for the Southend-on-Sea element of the Council Tax for 2018/19, being 2.99% for general use and 1.5% for the Adult Social Care precept, the Council is in line with the requirements from the Secretary of State and therefore no referendum is triggered.
- 4.6 Therefore, in my view as the Council's Chief Financial Officer, I confirm that the budget for 2018/19, as reported in the suite of Cabinet reports in January and February 2018 and issues addressed in this report, to be sufficiently robust but challenging for approval by the Council. I am also able to advise the Council that the level of General Fund Reserves is adequate and to recommend a Reserves Strategy which is achievable by 2018/19 in line with the factors set out in my S151 Officer Statement.

5. Council Tax and Collection Fund 2018/19

- 5.1 The Council Tax Base for 2018/19 was approved by Cabinet on 18 January 2018 at 57,611.55 (equivalent Band D properties).
- 5.2 The estimated balance on the Collection Fund at the end of 2017/18 shows a projected surplus of £2.5 million attributable to the Council and which has been used in calculating the Council Tax, as statutorily required.
- 5.3 The proposed budget assumes a Council Tax increase of 2.99% for general use on the Southend-on-Sea element of the total Council Tax. There are no implications arising from this increase for a Council Tax freeze grant, as the Government has not offered one for this year. In addition, no referendum limit has been breached.
- 5.4 Council may wish to bear in mind that a 1% change in Southend-on-Sea Borough Council's element of the Council Tax is £12.69 per annum for a Band D property. This equates to an amount of circa £0.73 million in the revenue budget for each 1% change.
- 5.5 The proposed Council Tax increase of 2.99% will mean a Band D level of £1,244.53 per annum on the Southend-on-Sea element of the Council Tax. This equates to an annual increase of £37.89 and a weekly increase of 73p. The Statutory Budget Determinations and amount of Council Tax for Southend-on-Sea Borough Council is shown in Appendix 4;
- 5.6 The total Council Tax payable by tax payers consists of Southend-on-Sea Borough Council precept, the Adult Social Care precept and the precepts for Essex Fire & Rescue Services and Essex Police. Where applicable it also includes Leigh-on-Sea Town Council precept.

Precepts

- 5.7 Leigh-on-Sea Town Council has declared its precept for 2018/19 at £411,692 (2017/18 = £401,085). Based on their council tax base of 8,779.95, the Town Council element of the total Council Tax bill will increase from £45.99 to £46.89 at Band D, equivalent to an increase of 1.96% from 2017/18. This only applies to the area covered by the Town Council.
- 5.8 For Essex Police an increase in its Council Tax, as proposed by the Police and Crime Panel on 22 January 2018, has been approved by the Police, Fire & Crime Commissioner. This represents a Council Tax of £169.02 (2017/18 = £157.05) per Band D property, which equates to an increase on the respective 2017/18 level of 7.62%.
- 5.9 For Essex Fire & Rescue Services the approved precept represents a Council Tax of £70.38 per Band D property, an increase of 1.95% on the 2017/18 level of £69.03.

- 5.10 This budget also continues with the Adult Social Care Precept at a level of 6.5% (an increase of 1.5% over the previous year). The proposed level equates to an annual increase of £18.99 (from £59.30 to £78.29) equivalent to a weekly increase of 36p at the Band D Council Tax level.

Levies

- 5.11 The Council is required to pay relevant levying bodies, who have all now confirmed their required levy for 2018/19 and the position for 2018/19 compared to 2017/18 is identified in the table below. The final approved levy also includes anticipated year-end adjustments for 2017/18 and 2018/19;

Levy Body	2017/18 Probable Actual	2018/19 Estimate	Percentage Increase
	£'000	£'000	%
Kent & Essex Inshore Fisheries & Conservation Authority	21.5	21.5	0.0
Flood Defence – Environment Agency	187.7	194.8	3.8
Coroners Court	370.8	415.2	12.0
Total	580.0	631.5	

The 2018/19 budget proposed at Cabinet on 13 February 2018 included a total sum for levies of £638,000, which includes the circa £6,500 payment to Leigh-on-Sea Town Council for the Local Council Tax Support Scheme. The final approved levies and year-end adjustments for 2018/19 total £631,500. Therefore, no amendment is required to the levies budget for 2018/19.

Special Items (Sections 34 & 35 of the Local Government Finance Act 1992)

- 5.12 Parish and Town Councils are able to precept on the Authority for services provided in the Parish or Town Council area. The Local Government Finance Act 1992 requires these precepts to be deemed a special item. In the Council's area the only parished area is Leigh-on-Sea.
- 5.13 Otherwise the cost of this Council's services is spread uniformly over the Authority's area. However, in some parishes, the Town Council may provide services which in other parts of the Authority are provided by the Council. Under Section 35 (2) (d) of the 1992 Act, the cost of these services is regarded as special expenses unless the Council has resolved otherwise. Special expenses are deemed to be included as part of the special items for Council Tax setting purposes.
- 5.14 The costs of special expenses are deducted from the council's total expenditure when setting the basic Council Tax and are charged as an additional amount to the areas receiving the benefit of the specific services.

5.15 At its meeting on 13 February 2018, the Cabinet considered the special expenses to apply in 2018/19 and recommended that there were no special expenses in addition to the Leigh-on-Sea Town Council's precept.

5.16 The proposed Band D Council Tax excluding and including Leigh-on-Sea Town Council is set out at Appendix 1.

6. Capital Programme

6.1 The Cabinet also considered proposals for the Capital Programme for 2017/18 to 2021/22 and referred the proposals set out at Appendix 3 (i) and (ii) to this report.

6.2 The Cabinet also agreed to refer the approval of the Capital Strategy and Prudential Indicators.

6.3 The full impact of the borrowing costs required to fund the proposed programme have been included in the Council's current financial planning for 2017/18 to 2021/22. The 2018/19 revenue budget incorporates the required borrowing costs as part of the budget requirement for 2018/19. In summary, it is my view, as Chief Financial Officer, that the 2017/18 to 2021/22 Capital Programme is Prudent, Affordable and Sustainable.

6.4 To demonstrate compliance with these objectives a set of prudential indicators, as required by statute, is recommended for approval.

7. Medium Term Financial Strategy (MTFS)

7.1 The Medium Term Financial Strategy that was approved in February 2017 was for a four year period up to the financial year 2020/21. It has been updated as a result of the recent Local Government Finance Settlement, changes to the projections in the current financial planning figures and a review of our service delivery plans and recently refreshed corporate priorities.

7.2 It is good practice to update the rolling MTFS as part of setting the Council budget and Council Tax to ensure our financial planning is fully aligned and integrated.

7.3 The updated and full MTFS for the period 2018/19 to 2021/22 is included within the General Fund Revenue Budget 2018/19 report to Cabinet 13 February 2018 at Appendix 17.

7.4 The MTFS shows a projected further budget gap for the Council of £16.9 million for the following three financial years. This is set out in detail in Appendix 5 and in summary as follows;

2019/20	£7.5 million
2020/21	£4.9 million
2021/22	£4.5 million
£16.9 million	

8. 2019/20 and Beyond

- 8.1 In addressing the national economic situation the Government has continued to emphasise the need to look further at a programme of public sector spending restraint and reconfiguration. This was reinforced in the Chancellor's Autumn Budget Statement on 22 November 2017 with further restriction placed on the Government's public spending plans up to 2021 with the commitment to its departmental spending plans set out in the Spending Review 2015. The tightening and reduction of Government funding contributions to local government funding along with the Government's previous changes from April 2013 and the proposed changes for the funding of Local Government, means that the current financial challenges for 2019/20 and beyond will continue. This needs to be seen as part of a continued period of financial retrenchment that Local Government has already encountered and that councils will need to consider a much longer spending reduction programme than previously identified by Central Government and which also links into the impending need for Council's financial self-sustainability.
- 8.2 This report predominantly addresses, as we are required to do, a detailed budget for 2018/19 but it is also appropriate to identify the areas the Council should continue to explore in order to meet the budget constraints of future years and also tailor the services it provides and review its role within national policy and local circumstances. As we develop the Councils vision 2050 and the South Essex vision 2050 we need to be mindful of how we align and prioritise our resources to achieve these visions but also ensure we focus on delivering our required outcomes.
- 8.3 Like all local authorities in England, Southend-on-Sea Borough Council is facing unprecedented financial challenges. The Council has, over a number of years, addressed significant funding gaps whilst also achieving improved efficiency and service delivery. In the current, and forecast, period of national financial stringency the scale of financial contraction is such as to challenge the scale, nature and purpose of the role of the Council.
- 8.4 Traditionally, and particularly over recent years, the nature of Council activity has seen an increase in the level of directly delivered services for the local populace and for local businesses and visitors. Many services have been delivered on a universal basis and free or at limited cost. As funding continues to reduce greater pressure is being placed upon the services provided by the Council and also the way in which these are delivered.
- 8.5 Since the beginning of the national fiscal situation the Council has striven to sustain its full range of services but it is increasingly likely that this approach will be unviable.
- 8.6 The Council will increasingly focus the delivery of its services in a targeted way, concentrating on delivering services to those residents who need the Council's help. The Council will also adopt this as an approach in tailoring the delivery of its many statutory services. To underpin this approach the Council will also reposition its role as one to help the community, its residents and businesses, to take personal control of as many factors affecting their lives as is possible.

- 8.7 The Council will continue to adopt an increasing approach of working, and delivering services, in partnership with other agencies, the voluntary and commercial sectors, and the community itself. As part of this approach the Council will encourage the sustenance of community services in collaboration with the local communities, encouraging community capacity to operate in appropriate circumstances.
- 8.8 The Council will also seek to address critical issues such as equality, disadvantage, lack of attainment and poverty by working with communities themselves, seeking enhanced training and opportunity and by fostering and promoting the local economy and thereby enhancing opportunities for aspiration, attainment, household income and personal achievement.
- 8.9 The Council will also seek to explore innovative income generation opportunities that will assist with increasing the Council's revenue sources to assist with bridging the significant budget gap the Council has to deliver. In addition, there is the intention to look greater at commercial opportunities for services of the Council. Both will assist in supporting the financial self-sustainability of the authority as we move into a period of final withdrawal of central government funding.
- 8.10 Given the financial challenge we have and are to continue to face for a number of years, a continued programme of corporate working will continue with this efficiency drive and to help support the identification of savings for future years. This will allow us to have a programme driving transformational change in the organisation and will allow a clear focus on delivery of the required savings that will be required over this period. A recent corporate transformation review is identifying how the council can work differently and transform services in an efficient manner whilst also delivering key savings for the annual budget.
- 8.11 Over the coming year it will be extremely important to consider future year potential savings proposals in anticipation of delivering tailored services for the community whilst addressing the known budget reductions required from our total budget and reflecting the estimated significant government grant reductions. It is currently anticipated arising from the Autumn Budget Statement in late 2017, that further savings in the order of £17 million will be required from the Council's circa £218 million annual gross budget (after excluding Schools, HRA and Benefits) for the three years 2019/20 to 2021/22.
- 8.12 It is clear that the budget savings presented for 2018/19 cannot be continually repeated in successive years without the Council considering how it delivers services across the borough to avoid duplication of overheads, achieve economic delivery and still provide facilities and services valued by the community.

9. Corporate Implications and Conclusion

- 9.1 The corporate implications of the proposed Council Budget have been set out in the relevant reports to the Cabinet meetings of 18 January 2018 and 13 February 2018.
- 9.2 In reaching decisions on budget proposals and Council Tax, Members will need to bear in mind all the detailed advice provided by officers both in reports to the Cabinet and information supplied directly. Regard must be had for the impact of decisions both in the coming year and subsequent years.
- 9.3 Finally, Members should also note that in setting the Council budget and Council tax level that all the information, advice and recommendations contained in the full suite of reports on the draft budget presented to Cabinet on 18 January 2018 and the full suite of reports on the final budget presented to Cabinet on 13 February 2018 represent part of the decision making process and all that detailed report information needs to be fully considered and recognised alongside this Council report.

10. Background Papers

- 10.1 All background papers are listed in the reports detailed at paragraph 3.1 in this report.
- 10.2 In addition, Background Papers include:
- (i) Minutes of the Cabinet meeting 18 January 2018;
 - (ii) Minutes of the Cabinet meeting 13 February 2018;
 - (iii) Minutes of the various Scrutiny Committees from 29 January to 31 January 2018 and feedback from the Business Sector and Voluntary Sector consultation meeting on 18 January 2018.

11. Appendices

Appendix 1	Revenue Budget and Council Tax 2018/19
Appendix 2 (i)	General Fund Savings 2018/19
Appendix 2 (ii)	General Fund Investments 2018/19
Appendix 3 (i)	Capital Programme 2017/18 to 2021/22
Appendix 3 (ii)	Capital Programme new schemes and additions
Appendix 4	Council Tax Resolution 2018/19
Appendix 5	Medium Term Financial Plan 2018/19 to 2021/22

REVENUE BUDGET AND COUNCIL TAX 2018/19

£'000					
SOUTHEND-ON-SEA					
Base Budget 2018/19	126,476				
Net Savings/Investment proposals (Appendix 2) (excluding Public Health)	(3,440)				
Total Budget Requirement 2018/19	<u>123,036</u>				
Less:					
Revenue Support Grant	(10,318)				
Business Rates Retained	(34,009)				
Reserves and Balances	(2,500)				
	<u>(46,827)</u>				
Council Tax Requirement (Council Tax and Adult Social Care Precept)	<u><u>76,209</u></u>				
Council Tax Base	57,611.55	<u>1,322.82</u>			
		Band D	Increase	Band D	Increase
		Council Tax		Council Tax	
		£	%	£	%
<u>Overall Council Tax - Band D equivalent</u>		Leigh on Sea		Unparished Area	
Souhend-on-Sea Borough Council (including Adult Social Care Precept)		1,322.82	4.49%	1,322.82	4.49%
Essex Police		169.02	7.62%	169.02	7.62%
Essex Fire & Rescue Services		70.38	1.95%	70.38	1.95%
Leigh on Sea Town Council		46.89	1.96%	-	0.00%
		<u><u>1,609.11</u></u>	<u><u>4.62%</u></u>	<u><u>1,562.22</u></u>	<u><u>4.71%</u></u>

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No.	Proposed Savings	Chief Executive	People	Place	Public Health	Proposed Total
		£'000	£'000	£'000	£'000	£'000
Department of the Chief Executive						
CE1	Asset rental and leases	100				100
CE2	Commercial property income	300				300
CE3	Customer Service staffing	40				40
CE4	Minimum Revenue Provision review	2,100				2,100
CE5	Investment Income	200				200
CE6	Wider Channel shift	90				90
Sub-Total Department of the Chief Executive		2,830				2,830
People						
PE1	Budget efficiencies/Back office reviews		50			50
PE2	Review of placements		150			150
PE3	Troubled families		100			100
PE4	Transport review		50			50
PE5	Education savings		250			250
PE6	Adult Social Care Transformation programme		1,500			1,500
PE7	Utilisation of Better Care Fund/Integrated Health		500			500
PE8	Procurement plan		250			250
PE9	Innovations in Housing		50			50
PE10	Children's services transformation		100			100
PE11	Children's services savings		165			165
Sub-Total People			3,165			3,165

No.	Proposed Savings	Chief	People	Place	Public Health	Proposed
		Executive				Total
		£'000	£'000	£'000	£'000	£'000
Place						
PL1	Car Parking income			700		700
PL2	Cost reductions in Highways Infrastructure			100		100
PL3	Pier income			55		55
PL4	Libraries and museums income			10		10
PL5	Library system license			15		15
PL6	Parks income			10		10
PL7	Business Improvement District (BID)			4		4
PL8	Facilities Management restructure and contract			50		50
PL9	Trade Licence to use Public Highway			15		15
PL10	Street Furniture Concession Licence Income			12		12
PL11	Food Hygiene Rating Scheme Re-assessment			3		3
PL12	Cessation of Silver Number Fallback hire			40		40
PL13	ICT provisions for South Essex Homes (SEH)			20		20
PL14	Occupancy of the Council owned Data Centre by City Fibre			15		15
PL15	Provision of Full Fibre broadband to schools			80		80
PL16	Ducting rental charge			6		6
PL17	Advertising revenue through Public wifi			5		5
PL18	Print Contract Saving			80		80
Sub-Total Place				1,220		1,220
Public Health						
PH1	Sexual Health				67	67
PH2	0-5 Children's Public Health Service				95	95
PH3	Health Improvement Initiatives				44	44
PH4	NHS Health Checks				6	6
PH5	Stop Smoking				20	20
PH6	Back Office Efficiencies				50	50
PH7	Drugs & Alcohol				97	97
Sub-Total Public Health					379	379
Proposed Savings Total 2018/19		2,830	3,165	1,220	379	7,594

Investment Proposals 2018/19 - All Council Services (excluding schools)

		<u>Chief Executive £'000</u>	<u>People £'000</u>	<u>Place £'000</u>	<u>Proposed Total £'000</u>
No.	<u>Proposed Pressures</u>				
11	Housing Benefit/Localised Council Tax Scheme Administration Grant	90			90
Sub-total Chief Executive		90			90
21	Delivering on our statutory duties for learners with SEND		95		95
31	PVI placements and In-house Fostering Care		1,200		1,200
41	Learning Disabilities costs of transitions		500		500
51	Deprivation of Liberty Assessments		150		150
61	Older People Demographics		500		500
71	National Living Wage		960		960
Sub-total People			3,405		3,405
81	Liquid Logic System (application support)			60	60
91	CCTV service			130	130
101	Support and Maintenance Provisions to the Council's New Data Centre			40	40
111	Wide Area Network links for Business Continuity Plan			50	50
Sub-total Place				280	280
Proposed Investments Total 2018/19		90	3,405	280	3,775

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Scheme	Project code	2017/18 Budget £000	2018/19 Budget £000	2019/20 Budget £000	2020/21 Budget £000	2021/22 Budget £000	Total Current Budget £000
Department of the Chief Executive							
62 Avenue Road - demolition	C10922	50					50
Belfairs Park Restaurant/Golf Club Preventative Works	New		190				190
Civic East Car Park Redevelopment	C10748				4,840		4,840
Chalkwell Esplanade Toilets Roof Repairs	C10862	2					2
Commercial Property Investment	C10749	12,500		2,750			15,250
Darlows Green former WCs demolition	C10919	5	40				45
Delaware House Plumbing works	C10920	12					12
Demolition of Leigh Cliffs Public Toilets	C10853	7					7
East Beach Café Project	C10644	32					32
Footway Resurfacing Biscay	C10927	12					12
Herbert Grove Security	C10854	160					160
Land Acquisition	C10913	7,500		2,000			9,500
Library Car Park Reconstruction and Enhancement	C10750	100	4,125	1,775			6,000
New Beach Huts Phase 2	C10631	120					120
Pier Arches toilets - waterproofing solution	C10734		30				30
Porters Civic House and Cottage	C10571	9					9
South Essex College	C10908	3,500					3,500
Queensway - Commercial Property	C10751		500	400			900
Ropers Farm Cottages - water supply	C10840	79					79
Seaways Development Enabling Works	C10643	16					16
Seaways - HCA Condition Funding	C10656		170				170
Urgent Works To Property	C10181	26					26
Acquisition of Leased Asset	C10928	15					15
	Total Asset Management	24,145	5,055	6,925	4,840		40,965
Channel Shift	C10757	376	265				641
	Total Transformation	376	265				641
Essential Crematorium/Cemetery Equipment	C10572	48					48
New Burial Ground	C10054	5					5
Pergola Walk Memorial Scheme	C10755	288					288
Replacement Boiler at Southend Crematorium	C10866		130				130
Sutton Road Cemetery Road Repairs	C10911	21					21
	Total Cemeteries & Crematorium	362	130				492
Priority Works	C10121	157	500	500	500		1,657
	Total Priority Works	157	500	500	500		1,657
	Total Department of the Chief Executive	25,040	5,950	7,425	5,340		43,755

Scheme	Project code	2017/18 Budget £000	2018/19 Budget £000	2019/20 Budget £000	2020/21 Budget £000	2021/22 Budget £000	Total Current Budget £000
Department for People							
Community Capacity	C10526	450					450
Dementia Friendly Environments	C10598	27					27
Learning Management System	C10929	70	50				120
Mental Health Funding Stream	C10184		36				36
Transforming Care Housing	C10689		163				163
LATC - Delaware and Priory	C10621	150	5,094	6,300			11,544
Total Adult Social Care		697	5,343	6,300			12,340
Disabled Facilities Grant	C10145	1,500	1,353				2,853
Empty Dwelling Management	C10020		357				357
PSH Works in Default - Enforcement Work	C10503		138				138
Private Sector Renewal	C10146	10	615	450			1,075
Total General Fund Housing		1,510	2,463	450			4,423
S106 3 Acacia Drive 1401434FULM - affordable housing	C10857		177				177
S106 Essex House 1600116DOV - affordable housing	C10852		320				320
Total Housing S106 Agreements			497				497
AHDC Short Breaks for Disabled Children	C10282		64				64
Children's Residential Care Provision	New		300	100			400
SEND Module and Integration with Liquid Logic	New		120				120
Total Children & Learning Other Schemes			484	100			584
S106 3-5 High Street - Education	C10916		9				9
S106 Albany Court 1500369AMDT - education	C10841		44				44
S106 Bellway Prittlebrook - education	C10724		623				623
S106 Former Balmoral 1400914FULM – education	C10860		22				22
Total Education S106 Agreements			698				698
Bournes Green Junior Boiler	C10868	135					135
Chalkwell Infants Main Building Windows	C10870	80					80
Earls Hall Ducts and Pipework	C10711	68					68
Fairways Fire Alarm	C10872	42					42
Future condition projects	C10024	79	723				802
Futures Heating and Pipe Ducts	C10714		68				68
Leigh Northy Street Windows (H&S)	C10907	42					42
Richmond Roof	C10873	17					17
St Nicholas Roof	C10924	100					100
Total Condition Schemes		563	791				1,354

Scheme	Project code	2017/18 Budget £000	2018/19 Budget £000	2019/20 Budget £000	2020/21 Budget £000	2021/22 Budget £000	Total Current Budget £000
Devolved Formula Capital	C10014	173	127				300
Total Devolved Formula Capital		173	127				300
Small Friends Expansion	C10863	60					60
Friars Primary School	C10864		332				332
Edwards Hall	C10865	144					144
Total Early Years		204	332				536
Expansion of 2 yr old Childcare Places	C10558	65					65
School Improvement and Provision of School Places	C10475	4,423	14,856	11,009			30,288
SEN Improvement and Provision of School Places	C10910	74					74
Total Primary and Secondary School Places		4,562	14,856	11,009			30,427
Total Department for People		7,709	25,591	17,859			51,159

Scheme	Project code	2017/18 Budget £000	2018/19 Budget £000	2019/20 Budget £000	2020/21 Budget £000	2021/22 Budget £000	Total Current Budget £000
Department for Place							
Belfairs Swim Centre	C10623	1	42				43
Belfairs Woodland Centre Project	C10502	15					15
Chase Sports & Fitness Centre - Fire Alarm	C10732	4					4
Chase Sports and Fitness Centre - Lighting Fitting Replacement	C10875	70					70
Shoeburyness Leisure Centre – Building Management	New		85				85
Southchurch Park Bowls Pavillion	C10739		20				20
Southend Cliffs - Replacement of Handrails	C10881	15	30				45
Southend Leisure and Tennis Centre - Building Management System (BMS) Control	C10882	50	50				100
SLTC - Replacement Hammer Cage	C10935	35					35
Wheeled Sports Facility Central Southend Area	New		25	225			250
	Total Leisure	190	252	225			667
Allotments Water Supply Upgrade	New		100	110			210
Chalkwell Park and Priory Park Tennis Courts	C10682	39	13				52
Hard Surface Path Improvements	C10566	13					13
Parks Feasibility and Options Appraisals	New		100				100
Playground Gates	C10779	5	123				128
Replacement and Upgrade of Parks Furniture	C10879	5	55	30	30		120
Replacement of Play Equipment	C10780	57	50				107
Southchurch Park - Replacement of Play Equipment	C10880	15	60				75
Southchurch Park Tow Path	C10781	13	237				250
	Total Parks	147	738	140	30		1,055
Leigh Library Gardens - urgent works	C10925	25					25
Library Review	C10624	10	176				186
	Total Libraries	35	176				211
Cliffs Pavilion – Auditorium Air Handling Unit	New		25	90			115
Cliffs Pavilion – Boiler Flues	New		10	115			125
Cliffs Pavilion – Chiller	New		5	170			175
Cliffs Pavilion - External Refurbishment works	C10876	70	250				320
Joint Theatres and Leisure Centres – Asbestos	New		115				115
Palace Theatre - Air Handling Units	C10782	13	220				233
Palace Theatre Boilers Replacement	C10877	125					125
Palace Theatre - Replacement of Asbestos Stage Safety Curtain	C10878	25	75				100
Palace Theatre - Replacement of External Windows	C10725	2					2
	Total Theatres	235	700	375			1,310
Central Museum Works	C10867	1	249				250
New Museum - Gateway Review	C10776	750	750				1,500
Prittlewell Prince Research	C10043		38				38
Prittlewell Prince Storage	C10696		35				35
	Total Museums	751	1,072				1,823

Scheme	Project code	2017/18 Budget £000	2018/19 Budget £000	2019/20 Budget £000	2020/21 Budget £000	2021/22 Budget £000	Total Current Budget £000
New Artist Studios	New		875				875
ASO Machinery Purchase	C10731	4					4
Belton Hills Steps	C10777	15	1,482				1,497
Energy Improvements in Culture Property Assets	C10565	55	55				110
Fire Improvement Works	New		500	500			1,000
"Make Southend Sparkle" Initiative	C10778	10	10				20
Property Refurbishment Programme	C10626	310	750	750			1,810
Pump Priming Budget	C10044	5	328				333
War Memorials within the Borough	C10569	4					4
	Total Other Culture	403	4,000	1,250			5,653
S106 23/04/2015 Hinguar and Saxon - public art contribution	C10845	18					18
S106 Ajax Works 0300130ful - landscaping maintenance	C10199	3	3				6
S106 Albany Court 1500369AMDT - public art contribution	C10846	3	23				26
S106 Avenue Works 1401968AMDT - Public Art	C10801		15				15
S106 Former Balmoral 1400914FULM – public art contribution	C10861		1				1
S106 Bellway Prittlebrook 1400943FULM - Local play facilities	C10804		15				15
S106 Former College 1000225FUL - Tree Replacement	C10207	11					11
S106 Garrison 0000777 Deposit - information boards	C10811		2				2
S106 Garrison 0000777 Deposit - Junior Play Area maintenance	C10812	10					10
S106 Garrison 0000777 Deposit - Toddler Play Area maintenance	C10815	6					6
S106 Garrison Park Store	C10188		1				1
S106 Lifstan Way 0000273 Out - Open Space Maintenance	C10269	10	72				82
S106 North Shoebury Road 0301504out - Public Art	C10819	74					74
S106 North Shoebury Road 0301504out - Shoebury Park Enhancement	C10205	13	59				72
S106 North Shoebury Road 0301504out - Shoebury Park Maintenance	C10820	27	45	231			303
S106 Sunlight Ldry 1400411FULM - Public Art	C10821		14				14
	Total Culture S106 Agreements	175	250	231			656

Amended Capital Programme 2017/18 to 2021/22

Appendix 3(i)

Scheme	Project code	2017/18 Budget £000	2018/19 Budget £000	2019/20 Budget £000	2020/21 Budget £000	2021/22 Budget £000	Total Current Budget £000
Barracuda Replacement	C10756	30					30
DEFRA Inspire III	C10640	4					4
Digitisation of Paper Records	C10896	1	45				46
ICT Priority Works	C10767		100				100
ICT - Core Application and Database Migration	C10895		75				75
ICT Capita One Enhancements/Developments	C10633	7					7
ICT - Childrens and Adults Social Care - Development of the Liquid Logic Case Management System	C10637	1,433	660				2,093
ICT Core Infrastructure	C10575	180					180
ICT - Central Government IT Security Compliance	C10898	35	115				150
ICT – Cyber Security/Public Services Network	New		40	40			80
ICT - Intelligence Hub	C10904	67	450				517
ICT - Digitally Enable the Council Offices	C10897	80	40				120
ICT - EDRMS Scanners	C10943	25					25
ICT Enterprise Agreement	C10636	280	345	345			970
ICT – Health and Social Care – GovRoam	New		20				20
ICT - Mobile Working and Enterprise Mobility	C10899	40	45				85
ICT - Phones Migration and Re-Tender	C10900	30	50				80
ICT Rolling Replacement Programme	C10576	200	250	250			700
ICT Southend and Schools Network Migration	C10912	20					20
ICT - Southend Network Monitoring Equipment	C10901	40	20				60
ICT - Upgrade of Capacity of Internet	C10902	150					150
ICT - Upgrade of Enterprise Resource Planning (ERP) System	C10903	75					75
ICT – Wide Area Network Enhancements	New		120				120
Income Management System	New		220				220
Mobile Device End Point Protection Replacement	C10768		90				90
Place - Culture - Hardware in Libraries	C10764	9					9
Place - Culture and Enterprise and Tourism - EPOS System	C10758	44					44
Replacement and Enhancement to Cash Receipting System	C10578		18				18
Software Licencing	C10426	349	400	400			1,149
Websense Replacement	C10770	30					30
Wireless Borough/City Deal	C10580	8	335				343
Total ICT Programme		3,137	3,438	1,035			7,610
Airport Business Park (including Local Growth Fund)	C10261	3,117	14,653	10,191	3,237		31,198
City Deal - Incubation Centre	C10668	8	26				34
Better Queensway - Regeneration	C10747	628	975	350			1,953
Housing Infrastructure Feasibility	New		250				250
Queensway - Ground Penetrating Radar	C10745	9					9
Resorts Assets	C10883	50					50
Shoebury Common Regeneration	New		300				300
Total Enterprise, Tourism & Regeneration		3,812	16,204	10,541	3,237		33,794

Scheme	Project code	2017/18 Budget £000	2018/19 Budget £000	2019/20 Budget £000	2020/21 Budget £000	2021/22 Budget £000	Total Current Budget £000
Pier Hill Lifts Tower Leaks	C10856	1					1
Southend Pier - Bearing Refurbishment (Phase One)	C10885	500	500				1,000
Southend Pier - Condition Works Engineers	C10697	825	792	967			2,584
Southend Pier - Condition Works Surveyors	C10918	230	343	518			1,091
Southend Pier - Pier Entrance Enhancement	C10887	150	150				300
Southend Pier - Pier View Gallery	C10855	198					198
Southend Pier - Pier Pavilion Platform Detailed Design (Gateway Review One)	C10884	125	125				250
Southend Pier - Prince George Extension (Phase Two)	C10905	200	750	1,689			2,639
Southend Pier - Structural Works	NEW				500		500
Southend Pier - Timber Outer Pier Head	C10886	250	1,000	6,750			8,000
	Total Southend Pier	2,479	3,660	9,924	500		16,563
Cliff Slip Investigation Works	C10784	30	246				276
Coastal Defence (Shoebury Common Sea Defence Scheme)	C10011	50	200	3,795	200		4,245
Improving Resilience of the Borough to Flooding from Extreme Weather Events	C10888	125	125				250
Manor Road Cliff Stabilisation	New		100	225			325
Flood Prevention Works	New		1,125	1,125			2,250
Southend Highway Flood Reduction and Resilience Improvement Scheme	C10921		565				565
Southend Shoreline Strategy	C10843	72					72
	Total Coastal Defence and Foreshore	277	2,361	5,145	200		7,983
Carriageways and Footways Improvements	C10786	1,007	1,000	1,000			3,007
Cinder Path	C10115		100	702			802
Gaist Highways Asset Management Project	C10785	20					20
Highways Maintenance - Potholes	C10588	102	65	65	65		297
Highways Planned Maintenance Investment	C10029	682					682
Improve Footway Condition Around Highway Trees	New		150	200			350
National Productivity Investment Fund	C10889	459	615	1,235			2,309
Prittlebrook Greenway - Undermining	C10923		75				75
Street Lighting Renewal	C10061	4,014					4,014
	Total Highways & Infrastructure	6,284	2,005	3,202	65		11,556

Scheme	Project code	2017/18 Budget £000	2018/19 Budget £000	2019/20 Budget £000	2020/21 Budget £000	2021/22 Budget £000	Total Current Budget £000
S106 22-23 The Leas 0700820FULM - bus service contribution	C10832	43					43
S106 Former Coll 0801062FULM - Transport Contribution	C10203	8					8
S106 Essex House 1500521FULM - bus stop improvement	C10793	3					3
S106 Premier Inn 1300835FULM - Bus Stop Improvement	C10653	5					5
S106 Former College 1500803BC4M - parking survey contribution	C10893	10					10
S106 285 Sutton Rd 1100087FULM - Highway Works	C10796	15					15
S106 Avenue Works 1401968AMDT - cycleway improvement	C10727	1					1
S106 Bellway Prittlebrook 1400943FULM - TRO Contribution	C10808	5					5
S106 High Works Shoe Garrison	C10213	2					2
S106 Albany Court 1500369AMDT - signage contribution	C10842	10					10
S106 Hinguar 1401672BC4M - highway contribution	C10851	5					5
S106 North Road and Salisbury Ave 1200056 - Highway Works Contribution	C10816	2					2
S106 Sunlight Ldry 1400411FULM - Highway Works	C10686	2					2
S106 Texsol Kenway 1500468FULM - highway	C10849	13					13
S106 Texsol Kenway 1500468FULM – public realm contribution	C10858	14					14
S106 Seec 0200500ful - Highway Works	C10073	104					104
S106 Univ H-Way0401561ful	C10196	4					4
Total Highways S106 Agreements		246					246
Car Park Infrastructure Improvements	C10787	304					304
Car Parks Upgrade	C10151	33					33
Coach Parking	New		250				250
Improved Car Park Signage and Guidance Systems	C10890	155	305	25			485
Parking Strategy	New		200				200
Total Parking Management		492	755	25			1,272
S38/S278 Airport 0901960 Fulm	C10275	20	80				100
S38 Bellway Homes 14/00943/fulm	C10746	7	78				85
S38 Old Hinguar School	C10859	7					7
S78 Bellway Homes 14/00943/fulm	C10730	7	3				10
S38 Fossetts Farm Bridleway	C10193	40	44				84
S38 Garrison NBP Road Supp Fee	C10267	9					9
S38 Inspection Magazine Rd	C10190	5					5
Total S38, S278 & S78 Agreements		95	205				300
CIL Ward NA – Chalkwell – Landscaping on Chalkwell	C10936	2					2
CIL Ward NA – Kursaal – Annual community event at Southchurch Hall	C10937	1					1
CIL Ward NA – Milton – Milton Park improvements	C10938		5				5
CIL Ward NA – Milton – Street signs	C10939	2					2
CIL Ward NA – Milton – Park Street replacement bollards	C10940	3					3
CIL Ward NA – St Laurence – Sign-Up (road sign cleaning)	C10941	1					1
CIL Ward NA – St Lukes – Cluny Sq Park improvements (5 a side goals/seating)	C10942		1				1
Total Community Infrastructure Levy		9	6				15

Scheme	Project code	2017/18 Budget £000	2018/19 Budget £000	2019/20 Budget £000	2020/21 Budget £000	2021/22 Budget £000	Total Current Budget £000
LTP (Integrated Transport block) - Bridge Strengthening	C10512	171	671	275	300		1,417
LTP (Integrated Transport block) - Better Sustainable Transport	C10384	200	600	400	400		1,600
LTP (Integrated Transport block) - Better Networks	C10671	163	664	400	400		1,627
LTP (Integrated Transport block) - Traffic Management Schemes	C10513	475	400	400	400		1,675
LTP (Integrated Transport block) - Traffic Control Systems	C10470	70	332	201	201		804
LTP - Maintenance	C10076	829	771	796	771		3,167
LTP - Maintenance - Street Lighting	C10708		150	50	50		250
Total Local Transport Plan		1,908	3,588	2,522	2,522		10,540
Local Growth Fund - A127 Growth Corridor	C10699	1,897	5,820	3,120	3,000		13,837
Local Growth Fund - Southend Central Area Action Plan (SCAAP) Growth Point (Non-Transport)	C10701		500	1,000	4,480		5,980
Local Growth Fund - Southend Central Area Action Plan (SCAAP) Growth Point (Transport)	C10702	1,925	2,275	2,000			6,200
Total Local Growth Fund		3,822	8,595	6,120	7,480		26,017
A127 Junction Improvements	C10553	38	364				402
HCA Progress Road	C10254		18				18
Southend Transport Model	C10058	30	40				70
Travel Centre - Bus Service Provision in the Town Centre	C10892	50					50
Total Transport		118	422				540
CCTV Equipment Renewal	C10894	20	400				420
Security Measures	New		500				500
Total Community Safety		20	900				920
S106 Audley Court 0200874 Ful - CCTV	C10276		10				10
S106 Garrison 0000777 Depost - CCTV	C10810		1				1
Total Community Safety S106 Agreements			11				11
Beecroft and Central Museum Energy Project	C10738	260					260
Civic Centre Boilers - Low Loss Header	C10676		20				20
Civic Centre CHP/Lifts Feasibility	C10930	5					5
Civic Centre Lifts Regeneration	C10931	33					33
Energy Efficiency Projects	C10788	3	795				798
Old Beecroft Ground Source Heat Pump Feasibility	C10932	15					15
Pier Energy Efficiency Scheme	C10933	64					64
Real Time Air Quality Measurement - Feasibility	New		75				75
Solar PV Projects	C10789	2	957				959
Schools and Council Buildings Solar PV	C10740	3	346				349
Total Energy Saving		385	2,193				2,578
Total Department for Place		25,020	51,531	40,735	14,034		131,320
Total General Fund Capital Schemes		57,769	83,072	66,019	19,374		226,234

Scheme	Project code	2017/18 Budget £000	2018/19 Budget £000	2019/20 Budget £000	2020/21 Budget £000	2021/22 Budget £000	Total Current Budget £000
Housing Revenue Account (HRA)							
Bathroom Refurbishment	C10161	140	103				243
Central Heating	C10162	500	929				1,429
Common Areas Improvement	C10168	1,912	1,210				3,122
Environmental - H&S works	C10163	750	1,517				2,267
Kitchen Refurbishments	C10164	170	617				787
Rewiring	C10165	963	59				1,022
Roofs	C10166	450	1,048				1,498
Windows and Doors	C10167	530	432				962
Future Programme (MRA & Decent Homes)	C10298			7,930	6,200		14,130
	Total Decent Homes Programme	5,415	5,915	7,930	6,200		25,460
HRA Disabled Adaptations - Major Adaptations	C10015	515					515
HRA Disabled Adaptations - Minor Adaptations	C10257	50					50
	Total Council House Adaptions	565					565
Sheltered Housing DDA works	C10177		345				345
	Total Sheltered Housing Remodelling		345				345
S106 HRA Land Review	C10685	305	2,742				3,047
	Total S106 Funded HRA Projects	305	2,742				3,047
Construction of New Housing on HRA Land	C10684	65					65
Acquisition of leasehold property	C10909	115					115
Acquisition of tower block leaseholds - Queensway	C10614	90	410				500
	Total Other HRA	270	410				680
	Total HRA Capital Schemes	6,555	9,412	7,930	6,200		30,097
TOTAL PROPOSED CAPITAL PROGRAMME		64,324	92,484	73,949	25,574		256,331

Total Capital Programme 2018/19 to 2021/22: 192,007

General Fund Schemes Subject to External Funding Approval	Project code	2017/18 Budget £000	2018/19 Budget £000	2019/20 Budget £000	2020/21 Budget £000	2021/22 Budget £000	Total Current Budget £000
Forum II – SBC Match Funding to LGF	New		500	1,000	13,500	3,950	18,950
	Total Local Growth Fund		500	1,000	13,500	3,950	18,950
Total GF Schemes Subject to External Funding Approval			500	1,000	13,500	3,950	18,950

PROPOSED NEW SCHEMES AND ADDITIONS TO THE CAPITAL PROGRAMME

Appendix 3(ii)

Scheme/Event	Department	Code	Code Description	2018/19 Budget £000	2019/20 Budget £000	2020/21 Budget £000	2021/22 Budget £000	Total Budget (all years) £000
Asset Management	Chief Executive Chief Executive	C10749 New	Commercial Property Investment Belfairs Park Restaurant/Golf Club Preventative Works	7,250 190	2,750			10,000 190
Total Chief Executive				7,440	2,750	0	0	10,190
Children and Learning Other	People People	New New	SEND Module and Integration with Liquid Logic Children's Residential Care Provision	120 300	100			120 400
Total People				420	100	0	0	520
ICT Core Infrastructure	Place	New	ICT – Cyber Security/Public Services Network	40	40			80
	Place	New	ICT – Wide Area Network Enhancements	120				120
	Place	C10576	ICT – Rolling Replacement Programme	50	50			100
	Place	C10426	ICT – Software Licencing	80	80			160
	Place	C10636	ICT – Enterprise Agreement	65	65			130
Corporate ICT Business Transformation	Place	New	ICT – Health and Social Care – GovRoam	20				20
Departmental ICT Business Transformation	Place	New	Income Management System	220				220
Theatres	Place	New	Cliffs Pavilion – Boiler Flues	10	115			125
	Place	New	Cliffs Pavilion – Auditorium Air Handling Unit	25	90			115
	Place	New	Cliffs Pavilion – Chiller	5	170			175
Parks and Leisure Centres	Place	New	Shoeburyness Leisure Centre – Building Management System	85				85
	Place	New	Joint Theatres and Leisure Centres – Asbestos Investigation	115				115
	Place	New	Parks Feasibility and Options Appraisals	100				100
Other Leisure Assets	Place	New	Allotments Water Supply Upgrade	100	110			210
	Place	New	New Artist Studios	875				875
Property	Place	New	Fire Improvement Works	500	500			1,000
	Place	C10626	Property Refurbishment	250	250			500

PROPOSED NEW SCHEMES AND ADDITIONS TO THE CAPITAL PROGRAMME

Appendix 3(ii)

Scheme/Event	Department	Code	Code Description	2018/19 Budget £000	2019/20 Budget £000	2020/21 Budget £000	2021/22 Budget £000	Total Budget (all years) £000
Highways	Place	New	Improve Footway Condition Around Highway Trees	150	200			350
	Place	New	Manor Road Cliff Stabilisation	100	225			325
	Place	New	Parking Strategy	200				200
	Place	New	Coach Parking	250				250
	Place	New	Shoebury Common Regeneration	300				300
	Place	New	Flood Prevention Works	1,125	1,125			2,250
Other Place Schemes	Place	New	Housing Infrastructure Feasibility	250				250
	Place	C10747	Better Queensway	400	350			750
	Place	New	Security Measures	500				500
	Place	New	Real Time Air Quality Measurement - Feasibility	75				75
Total Place			6,010	3,370	0	0	9,380	
Total General Fund			13,870	6,220	0	0	20,090	
New schemes/additions as per Appendix 7:				13,870	6,220	0	0	20,090

General Fund Scheme Subject to External Funding Approval:				2018/19	2019/20	2020/21	2021/22	Total Budget (all years)
Scheme/Event	Department	Code	Code Description	Budget £000	Budget £000	Budget £000	Budget £000	£000
Libraries	Place	New	Forum II – SBC Match Funding to LGF	500	1,000	13,500	3,950	18,950
Total Local Growth Fund				500	1,000	13,500	3,950	18,950

PURPOSE

The purpose of this Appendix is to enable the Council to calculate and set the Council Tax for 2018/19.

PRECEPT LEVELS

The following precept levels have been received.

- The Cabinet of **Southend-on-Sea Borough Council** met on 13 February 2018 and decided to recommend a Council Tax Requirement of **£76,209,711**, which includes an Adult Social Care Precept of **£4,510,408**. Assuming this is approved by the Council on 22 February 2018, this will result in a Southend-on-Sea Borough Council Band D Council Tax of **£1,322.82**, an increase of £56.88 (4.49%) on the previous year.
- **Essex Police and Crime Panel** met on 22 January 2018 and approved the proposals of the Office of the Police and Crime Commissioner for a precept of **£9,737,504**. This results in a 2018/19 Police and Crime Commissioner Band D Council Tax of **£169.02**, an increase of £11.97 (7.62%) on the previous year.
- **Essex Fire Authority** met on 22 January 2018 and set their precept at **£4,054,701**. This results in a 2018/19 Fire Authority Band D Council Tax of **£70.38**, an increase of £1.35 (1.95%) over the previous year.
- The **Leigh Town Council** met on 16 January 2018 and set their precept at **£411,692**. This results in a Town Council Band D Council Tax of **£46.89**, an increase of £0.90 (1.96%) on the previous year.

The total of all precepts levied is therefore £90,413,608. This results in an average total Band D Council Tax of £1,569.37 across all areas, an increase of £70.30 (4.69%) on the previous year. For the unparished area, the total Band D Council tax will be £1,562.22, an increase of £70.20 (4.71%) on the previous year, and for the parished area the total Band D Council tax will be £1,609.11, an increase of £71.10 (4.62%) on the previous year.

Subject to the Council approving the Council Tax Resolution, the following tables summarise Council Tax bills for 2018/19.

Table 1 – summary of average Band D Council Tax bill

Authority	2017/18 Band D £	2018/19 Band D £	Increase %	Increase/ year £	Increase/ week £
Southend-on-Sea Borough Council	1,265.94	1,322.82	4.49%	56.88	1.09
Essex Police CC	157.05	169.02	7.62%	11.97	0.23
Essex Fire Authority	69.03	70.38	1.95%	1.35	0.03
Total Band D Unparished Area	1,492.02	1,562.22	4.71%	70.20	1.35
Leigh Town Council	45.99	46.89	1.96%	0.90	0.02
Total Band D Parished Area	1,538.01	1,609.11	4.62%	71.10	1.37
TOTAL Band D Average all areas	1,499.07	1,569.37	4.69%	70.30	1.35

Table 2 – Council Tax Levels (all bands) – Unparished Area

Band	Proportion of Band D	2017/18 Council Tax before Discounts £	2018/19 Council Tax before Discounts £	Increase over 2017/18 £	Weekly increase over 2017/18 £	Weekly increase SBC element £
A	6/9ths	994.68	1,041.48	46.80	0.90	0.73
B	7/9ths	1,160.46	1,215.06	54.60	1.05	0.85
C	8/9ths	1,326.24	1,388.64	62.40	1.19	0.97
D	9/9ths	1,492.02	1,562.22	70.20	1.35	1.09
E	11/9ths	1,823.58	1,909.38	85.80	1.65	1.34
F	13/9ths	2,155.14	2,256.54	101.40	1.95	1.58
G	15/9ths	2,486.70	2,603.70	117.00	2.24	1.82
H	18/9ths	2,984.04	3,124.44	140.40	2.70	2.19

Table 3 – Council Tax Levels (all bands) – Parished Area

Band	Proportion of Band D	2017/18 Council Tax before Discounts £	2018/19 Council Tax before Discounts £	Increase over 2017/18 £	Weekly increase over 2017/18 £	Weekly increase SBC element £
A	6/9ths	1,025.34	1,072.74	47.40	0.91	0.73
B	7/9ths	1,196.23	1,251.53	55.30	1.06	0.85
C	8/9ths	1,367.12	1,430.32	63.20	1.21	0.97
D	9/9ths	1,538.01	1,609.11	71.10	1.37	1.09
E	11/9ths	1,879.79	1,966.69	86.90	1.67	1.34
F	13/9ths	2,221.57	2,324.27	102.70	1.97	1.58
G	15/9ths	2,563.35	2,681.85	118.50	2.27	1.82
H	18/9ths	3,076.02	3,218.22	142.20	2.73	2.19

The formal Council Tax Resolution is set out overleaf.

COUNCIL TAX RESOLUTION

The Council is recommended to resolve as follows:

1. To note that on 18 January 2018 the Cabinet calculated the Council Tax Base 2018/19:
 - (a) for the whole Council area as 57,611.55
 - (b) for dwellings in those parts of its area to which a Parish precept relates (Leigh Town Council) as 8,779.95.
2. To determine that the Council Tax requirement for the Council's own purposes for 2018/19 (excluding town/parish precepts) is £76,209,711.
3. That the following amounts be calculated for the year 2018/19 in accordance with Sections 31 to 36 of the Local Government Finance Act 1992, as amended (the Act):
 - (a) £374,682,692 Being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(2) of the Act taking into account all precepts issued to it by town/parish councils.
 - (b) -£298,061,289 Being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of the Act.
 - (c) £76,621,403 Being the amount by which the aggregate of 3(a) above exceeds the aggregate at 3(b) above, calculated by the Council in accordance with Section 31A(4) of the Act as its Council Tax requirement for the year (including town/parish precepts).
 - (d) £1,329.97 Being the amount at 3(c) above, divided by the Council Tax Base shown at 1(a) above, as the basic amount of its Council Tax for the year (including town/parish precepts)
 - (e) £411,692 Being the aggregate amount of all special items (town/parish precepts) referred to in Section 34(1) of the Act (as per the attached Annex 1)
 - (f) £1,322,.82 Being the amount at 3(d) above less the result given by dividing the amount at 3(e) above by the Council Tax Base shown at 1(a) above, calculated by the Council, in accordance with Section 34(2) of the Act, as the basic amount of its Council Tax for the year for dwellings in those parts of its area to which no Town/Parish precept relates.
4. To note that Essex Police and Crime Commissioner and the Fire Authority have issued precepts to the Council in accordance with Section 40 of the Act for each category of dwellings in the Council's area as indicated in the table below.

RESOLUTION 0 – Substantive Motion

5. That the Council, in accordance with Sections 30 and 36 of the Act, hereby sets the aggregate amounts shown in the tables below as the amounts of Council Tax for 2018/19 for each part of its area and for each of the categories of dwellings.

£	Band A	Band B	Band C	Band D	Band E	Band F	Band G	Band H
Southend-on-Sea Borough Council	881.88	1,028.86	1,175.84	1,322.82	1,616.78	1,910.74	2,204.70	2,645.64
Essex Police Authority	112.68	131.46	150.24	169.02	206.58	244.14	281.70	338.04
Essex Fire Authority	46.92	54.74	62.56	70.38	86.02	101.66	117.30	140.76
Aggregate amounts excluding town council	1,041.48	1,215.06	1,388.64	1,562.22	1,909.38	2,256.54	2,603.70	3,124.44

6. Determines that the Council's basic amount of Council Tax for 2018/19 is **not excessive** in accordance with the principles approved under Section 52ZB of the Act, and as shown in the calculation below.

(a) Percentage increase defined by the Secretary of State as constituting an excessive increase for 2018/19: 6.0%

(b) Percentage increase in the Council's basic amount of Council Tax:

2016/17 amount	£1,265.94
2017/18 amount	£1,322.82
Percentage increase:	4.49%

The figure at 6(b) is less than the figure at 6(a) above and therefore the Council's basic amount of Council Tax for 2018/19 is **not excessive** and no referendum is required.

7. Determines the amounts payable in each town/parish at each band, comprising aggregate sums derived from all precepts, as set out in Annex 2.

LEIGH TOWN COUNCIL – 2018/19 TAXBASE AND PRECEPT

Taxbase	2017/18 Precept	2017/18 Band D	2016/17 Band D	Increase / (Decrease)	Amount Required by Parish 2017/18 £							
	£	£	£	%	Band A	Band B	Band C	Band D	Band E	Band F	Band G	Band H
8,779.95	411,692	46.89	45.99	1.96	31.26	36.47	41.68	46.89	57.31	67.73	78.15	93.78

COMBINED COUNCIL TAX 2018/19

Council Tax 2017/18	Band A	Band B	Band C	Band D	Band E	Band F	Band G	Band H
Ratio to Band D	6/9	7/9	8/9	9/9	11/9	13/9	15/9	18/9
	£	£	£	£	£	£	£	£
Unparished Area	1,041.48	1,215.06	1,388.64	1,562.22	1,909.38	2,256.54	2,603.70	3,124.44
Parished Area	1,072.74	1,251.53	1,430.32	1,609.11	1,966.69	2,324.27	2,681.85	3,218.22

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SOUTHEND-on-SEA BOROUGH COUNCIL

Medium Term Financial Forecast

	2018/19 £000	2019/20 £000	2020/21 £000	2021/22 £000
Base Budget				
From prior year	123,153	123,036	121,020	123,442
LESS				
Appropriations to/from Reserves in prior year	12,282	(5,436)	(5,248)	2,141
Revenue Contributions to Capital	(3,804)	(5,058)	(1,432)	0
Less other one-off expenditure/savings	(9,280)	1,933	2,132	(1,632)
Adjusted Base Budget	122,351	114,475	116,472	123,951
Appropriations to/from reserves	5,436	5,248	(2,141)	(1,693)
Revenue Contributions to Capital (funded from Earmarked Reserves)	5,058	1,432	0	0
Other one-off/time limited expenditure bids	(1,933)	(2,132)	1,632	1,193
Inflation and other increases	2,159	2,790	2,790	2,790
Corporate Cost Pressures	(5,956)	3,850	5,410	328
Directorate Savings/Pressures				
On-going Corporate and Directorate cost pressures allowance	1,972	2,300	3,518	3,832
Savings agreed in prior year etc	0	0	0	0
Savings identified as per Budget Council	(7,215)	0	0	0
	(5,243)	2,300	3,518	3,832
Better Care Fund				
NHS funding to Support Social Care and benefit Health	(11,288)	(12,603)	(12,603)	(12,603)
Expenditure relating to the NHS funding	11,288	12,603	12,603	12,603
	0	0	0	0
Public Health				
Projected Grant Income	(9,462)	(9,212)	(9,212)	(9,212)
Projected Expenditure	9,462	9,212	9,212	9,212
	0	0	0	0
Housing Revenue Account				
Projected Expenditure	24,842	23,429	24,787	25,150
Projected Income	(27,464)	(27,108)	(27,379)	(27,652)
Contributions to/(from) HRA Earmarked Reserves	2,622	3,679	2,592	2,502
	0	0	0	0
Schools				
Dedicated Schools Grant received from Government	(32,454)	(32,454)	(32,454)	(32,454)
Dedicated Schools Grant distributed to schools	32,454	32,454	32,454	32,454
Pupil Premium received from Government (indicative)	(2,906)	(2,906)	(2,906)	(2,906)
Pupil Premium distributed to schools	2,906	2,906	2,906	2,906
	0	0	0	0
Projected General Fund Net Expenditure	121,872	127,963	127,681	130,401
Changes in General Grants	1,164	557	661	30
Budget Requirement	123,036	128,520	128,342	130,431
Funded by:				
Council tax increase (1.99% in 17/18 onwards) (taxbase +0.5% p.a.)	(71,699)	(74,718)	(77,084)	(79,516)
Social Care Precept (3% in 17/18, 1% in 18/19, 2% in 19/20)	(4,510)	(5,710)	(5,767)	(5,825)
Business Rates Retained	(34,009)	(34,667)	(35,360)	(36,067)
Revenue Support Grant	(10,318)	(5,925)	(5,231)	(4,523)
Reserves and Balances	(2,500)	0	0	0
Total funding	(123,036)	(121,020)	(123,442)	(125,931)
Funding Gap	0	7,500	4,900	4,500

Core Precept	71,699	74,718	77,084	79,516
Social Care Precept	4,510	5,710	5,767	5,825
Band D Council Tax				
Council Tax for a Band D Property	1,322.82	1,382.22	1,409.76	1,437.75
% Increase in Council Tax	4.49%	4.49%	1.99%	1.99%
Council Tax Base				
Council Tax Base	57,612	58,188	58,770	59,357
Increase in Taxbase on prior year	1.22%	1.00%	1.00%	1.00%

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SOUTHEND-ON-SEA BOROUGH COUNCIL

Meeting of Cabinet

Date: Tuesday, 13th February, 2018
Place: Committee Room 1 - Civic Suite

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- Present:** Councillor J Lamb (Chair)
Councillors A Holland (Vice-Chair), T Byford, J Courtenay, T Cox,
M Flewitt, A Moring and L Salter
- In Attendance:** Councillors N Folkard, C Mulroney and D Norman MBE
J K Williams, A Lewis, J Chesterton, J Ruffle, C Gamble, I Ambrose,
E Cooney, S Crowther, A Griffin, S Houlden and C Robinson
- Start/End Time:** 2.00 p.m. - 2.15 p.m.

734 Apologies for Absence

There were no apologies for absence.

735 Declarations of Interest

The following interests were declared at the meeting:-

- (a) Councillor Holland – Minute 736 (HRA Budget 2018/19 and Rent Setting) – Non-pecuniary interest – son works in housing support;
- (b) Councillor Flewitt – Minute 736 (HRA Budget 2018/19 and Rent Setting) – Non-pecuniary interest – friends and family are South Essex Homes tenants;
- (c) Councillor Mulroney – Minute 740 (General Fund Revenue Budget 2018/19) – Non-pecuniary interest – member of Leigh Town Council;

736 Housing Revenue Account Budget 2018/19 and Rent Setting

The Cabinet considered a joint report of the Deputy Chief Executive (People) and Director for Finance and Resources setting out the Housing Revenue Account (HRA) budget for 2018/19, together with the information necessary to set a balanced budget as required by legislation. This item had been considered by Policy and Resources Scrutiny Committee at its meeting on 31st January 2018.

Recommended:-

1. That a rent reduction of 1% on secure tenancies, as required by the Welfare Reform and Work Act 2016, be approved.
2. That an average rent increase of 6.04% on shared ownership properties, be approved.

3. That the proposed rent changes in 1 and 2 above be effective from 2nd April 2018.
4. That the increases in other charges as set out in section 5 of the submitted report, be approved.
5. That the proposed management fee and the proposed increases in service charges and heating charges by South Essex Homes, as set out in section 6 of the submitted report, be approved.
6. That the appropriations to HRA earmarked reserves, as set out in section 9 of the submitted report be approved.
7. That subject to 1-6 above, the HRA budget as set out in Appendix 1 to the submitted report, be approved.
8. That the HRA Medium Term Financial Plan as set out in section 10 and Appendices 2 and 3 to the submitted report be noted.
9. That the value of the Council's capital allowance for 2018/19 be declared as £23.197M, as determined in accordance with regulation 16 of the Local Authorities (Capital Finance and Accounting) (England) Regulations.

Reason for Recommendation

Part of the process of maintaining a balanced budget for the HRA is to consider and set a rent rise (and associated increases in other income streams). Full Council need to approve the HRA budget prior to the start of the financial year.

Other Options

Given the statutory nature of the required reduction in rents, there is limited scope to alter the budget.

Note:- This is a Council Budget Function, not eligible for call in by virtue of Budget and Policy Framework Procedure Rule 1.1(b)
Executive Councillor:- Flewitt

737 Capital Programme 2018/19 to 2021/22

The Cabinet considered a report of the Corporate Management Team setting out the proposed programme of capital projects for 2018/19 to 2021/22. This item had been considered by all three Scrutiny Committees.

Recommended:-

1. That the current approved Programme for 2018/19 to 2021/22 of £166.5m, as set out in Appendix 1 to the submitted report, be noted.
2. That the changes to the approved Programme as set out in Appendix 2 to the submitted report, be approved.

3. That the proposed new schemes and additions to the Capital Programme for 2018/19 to 2019/20 totalling £20.1m, as set out in Appendices 6 and 7 to the submitted report, be approved.

4. That the proposed schemes subject to external funding approval for the period 2018/19 to 2021/22 totalling £19.0m, as set out in Appendices 2 and 7 of the submitted report be approved.

5. That it be noted that the proposed new schemes and additions as set out in Appendices 6 and 7 to the submitted report, and other adjustments as set out in Appendix 2 to the report will result in a proposed capital programme of £192.0m for 2018/19 to 2021/22 set out in Appendix 8.

6. That it be noted that of the total programme of £192.0m for the period 2018/19 to 2021/22, the level of external funding supporting this programme is £75.0m, as set out in paragraph 9.1 of the submitted report.

7. That it be noted that a final review has been undertaken on the 2017/18 projected outturn and that the results have been included in the submitted report.

8. That the proposed Capital Programme for 2017/18 to 2021/22, as set out in Appendix 8 to the submitted report, be approved.

9. That the Capital Strategy for 2018/19 to 2021/22, as set out in Appendix 9 to the submitted report, be approved.

Reason for recommendation

The proposed Capital Programme is compiled from a number of individual projects which either contribute to the delivery of the Council's objectives and priorities or enhances the Council's infrastructure.

Other Options

The proposed Capital Programme is compiled from a number of individual projects, any of which can be agreed or rejected independently of the other projects.

Note:- This is a Council Budget Function, not eligible for call in by virtue of Budget and Policy Framework Procedure Rule 1.1(b)

Executive Councillor:- Lamb

738 Treasury Management and Prudential Indicators 2018/19

The Cabinet considered a report of the Chief Executive concerning the Treasury Management Policy for 2018/19 and the requirement for Prudential indicators to be set under the Local Government Act 2003.

Recommended:-

1. That the Treasury Management Policy Statement set out at Appendix 1 to the submitted report, be approved.

2. That the Treasury Management Strategy set out at Appendix 2 to the submitted report, be approved.
3. That the Annual Investment Strategy set out at Appendix 3 to the submitted report, be approved.
4. That the Minimum Revenue Provision (MRP) Policy set out at Appendix 5 to the submitted report, be approved.
5. That the prudential indicators set out at Appendix 6 to the submitted report, be approved.
6. That the operational boundary and authorised limits for borrowing for 2018/19 be set at £285m and £295m respectively as set out in Appendix 1 to the submitted report.

Reason for Recommendation

1. Recommendations 1-3 above are to comply with the CIPFA Treasury Management Code of Practice.
2. Recommendation 4 above is to comply with the Local Authority's general duty to charge an amount of MRP to revenue which it considers to be prudent.
3. Recommendations 5 and 6 above are to demonstrate compliance with the CIPFA Prudential Code for Capital Finance in Local Authorities.

Other Options

There are many options available for the operation of the Treasury Management function, with varying degrees of risk associated with them. The Treasury Management Policy set out in the report aims to effectively control risk to within a prudent level, whilst providing optimum performance consistent with that level of risk.

Note:- This is a Council Budget Function, not eligible for call in by virtue of Budget and Policy Framework Procedure Rule 1.1(b)
Executive Councillor:-Moring

739 Fees and Charges 2018/19

The Cabinet considered a report of the Corporate Management Team detailing fees and charges for services included in the budget proposals for 2018/19. This item had been considered by all three Scrutiny Committees.

Recommended:-

That the proposed fees & charges for each Department as contained within the body of the submitted report and its appendices, be approved.

Reason for Recommendation

Part of the process of maintaining a balanced budget includes a requirement to consider the contribution that fees and charges make towards that aim. The report is in fulfilment of that requirement.

Other Options

None

Note:- This is a Council Budget Function, not eligible for call in by virtue of Budget and Policy Framework Procedure Rule 1.1(b)
Executive Councillor:- Lamb

740 General Fund Revenue Budget 2018/19

The Cabinet considered a report of the Corporate Management Team presenting a 2018/19 General Fund revenue budget including schools and a proposal for the level of Council Tax for 2018/19. This item had been considered by all three Scrutiny Committees.

The Director of Finance and Resources reported the position on the Local Government Finance Settlement which would be reflected in the final budget report to be submitted to Council.

Recommended:-

(a) In respect of 2017/18:

1. That the forecast outturn of £123.153 million be noted
2. That the appropriation of the sums to earmarked reserves totalling £9.868 million, as set out in detail in Appendix 16 to the submitted report be approved.
3. That the appropriation of the sums from earmarked reserves totalling £19.069 million, as set out in detail in Appendix 16 of the submitted report be approved.

(b) In respect of 2018/19 and later years:

1. That the Section 151 Officer's (Director of Finance and Resources) report on the robustness of the proposed budget, the adequacy of the Council's reserves and the Reserves Strategy as set out in Appendix 1 to the submitted report be acknowledged.
2. That a General Fund net revenue budget for 2018/19 of £122.989 million, as set out in Appendix 3 of the submitted report and any required commencement of consultation, statutory or otherwise be approved.
3. That a Council Tax increase of 4.49% for the Southend-on-Sea element of the Council Tax for 2018/19, being 2.99% for general use and 1.5% for Adult Social Care be approved.

4. That it be noted that the 2018/19 revenue budget has been prepared on the basis of using £2.5 million from the Collection Fund for the core budget to allow for a smoothing of the budget gap across the next three financial years.
5. That the position of the Councils preceptors be noted as follows:
 - Essex Police – approved Council Tax increase of 7.62%;
 - Essex Fire & Rescue Services – approved Council Tax increase of 2.99%;
 - Leigh-on-Sea Town Council - approved precept increase of 1.96%.
6. That no Special Expenses be charged other than Leigh-on-Sea Town Council precept for 2018/19.
7. That the appropriation of the sums to earmarked reserves totalling £11.768 million, as set out in Appendix 16 of the submitted report be approved.
8. That the appropriation of the sums from earmarked reserves totalling £6.894 million, as set out in Appendix 16 of the submitted report be approved.
9. That the schools' budget and its relevant distribution as recommended by the Education Board and as set out in Appendix 2 of the submitted report be approved.
10. That the on-going investment required of £3.775 million, as set out in Appendices 12 and 13 of the submitted report, and the General Fund and Public Health savings required of £7.594 million, as set out Appendices 14 and 15, and the subsequent individual service cash limits for 2018/19, as contained in Appendices 3 to 11 of the report, be approved.
11. That the direction of travel for 2019/20 and beyond, as set out in Section 11 of the submitted report, be endorsed.
12. That the revised Medium Term Financial Strategy up to 2021/22, as set out in Appendix 17 of the submitted report be approved..
13. That authority be delegated to the Director of Finance and Resources (S151 Officer), in consultation with the Leader of the Council, to make the required changes to the Council Budget following the final Local Government Finance settlement and other related Government announcements.

Reason for recommendations

Budget setting is at the core of the Council's corporate planning framework. It is a complex process that is fully integrated with strategic and service planning. Annually, prior to the start of the financial year, the Council agrees its budget using a consistent, transparent and prudent approach.

Other Options

None

Note:- This is a Council Budget Function, not eligible for call in by virtue of Budget and Policy Framework Procedure Rule 1.1(b)
Executive Councillor:- Lamb

Chairman: _____

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SOUTHEND-ON-SEA BOROUGH COUNCIL

Meeting of Cabinet

Date: Tuesday, 13th February, 2018
Place: Committee Room 1 - Civic Suite

22

Present: Councillor J Lamb (Chair)
Councillors A Holland (Vice-Chair), T Byford, J Courtenay, T Cox,
M Flewitt, A Moring and L Salter

In Attendance: Councillors N Folkard, D Norman MBE and C Mulroney
J K Williams, A Griffin, A Lewis, J Chesterton, J Ruffle, C Gamble,
I Ambrose, E Cooney, S Crowther, S Houlden and C Robinson

Start/End Time: 2.15 - 2.45 pm

741 Apologies for Absence

There were no apologies for absence.

742 Declarations of Interest

The following interests were declared at the meeting:

(a) Councillor D Norman MBE – Minute 743 (Better Queensway) – Non-pecuniary interest – Council appointee to the South Essex Homes Board.

743 Better Queensway

The Cabinet received a report of the Deputy Chief Executive (Place) that sought approval of the final parameters for the Better Queensway regeneration project, including the proposed highways alignment, so as to commence procurement to secure a partner(s) to fund, develop and manage the scheme.

Resolved:-

1. That the results of the public consultation be noted.
2. That the plan in Appendix 4 of the submitted report be approved as the preferred indicative highways alignment for the regeneration area to be included in the procurement process.
3. That the approach to the planning application is adjusted so that the application is made by the partnership formed following procurement.
4. That the site indicated in Appendix 5 of the submitted report be included within the redline boundary for the procurement and that continuance of the Council's income stream it derives from the site is placed as a requirement of the partnership.
5. That the site boundary, as per the plan in Appendix 6 of the submitted report, be agreed as the regeneration area for which a partner(s) is sought.

6. That the level of affordable housing provided on the site shall be required to be above the current 441 affordable units and that tenderers are required to put forward their proposition to increase this provision, demonstrating how this is viable.

7. That the updated procurement objectives, set out in section 7.3 of the submitted report, are agreed in principle to be used as the basis for the procurement and that the Deputy Chief Executive (Place) and the Deputy Chief Executive (People) shall each be individually authorised, in consultation with the Portfolio Holder for Culture, Tourism and the Economy, to refine and confirm the final wording of the objectives.

8. That the principle of a second lot “Lot 2” be agreed for inclusion in the procurement and that the Deputy Chief Executive (Place) and the Deputy Chief Executive (People) shall each be individually authorised, in consultation with the Director of Finance and Resources and the Portfolio Holder for Culture, Tourism and the Economy to agree its inclusion or exclusion in the procurement process and the final wording of the Lot 2 procurement documents.

9. That the Better Queensway Project Board be authorised to approve a variation of existing professional consultant contractual arrangements in accordance with Contracts Procedure Rules 9.2 to 9.4 to accommodate additional in-scope work in support of the project up to the sum of £427k.

10. That the Better Queensway Project Board be authorised to seek extensions of existing contractual arrangements under Contract Procedure Rules 9.5 and 9.6 in 12 month increments up to a maximum of 4 more years in accordance with the terms thereof and subject to the approved financial resources.

11. That the Better Queensway Project Board be authorised to purchase any further work necessary to support the Project which is either included in the scope or defined as out of scope of the current contracts from the contracted consultants via framework agreement call-offs in accordance with Contracts Procedure Rule 8.3 in line with the approved financial resources available.

12. That approval is given to commence procurement of a 30 year partnership to fund, develop and manage the Better Queensway regeneration project.

Reason for Decision

It is critical that the Council has an agreed, robust and transparent position on each of the matters presented in this report in order to shape the procurement documents and to ensure that the ambitions for the Queensway site are delivered through the partnership and in the delivery of the scheme. Establishing the right parameters for the procurement optimises the Council’s influence on the procurement and development process. It is also necessary to demonstrate the potential for a viable scheme to the market. Not reaching agreement on any of these matters risks delaying the procurement process and incurring additional project costs or drawing the project to a close before commencing procurement.

Other Options

As set out in the submitted report.

Note:- This is an Executive Function
Referred direct to the Place Scrutiny Committee
Executive Councillor: Councillor Holland

744 Exclusion of the Public

Resolved:-

That, under Section 100(A)(4) of the Local Government Act 1972, the public be excluded from the meeting for the item of business set out below, on the grounds that it would involve the likely disclosure of exempt information as defined in Part 1 of Schedule 12A to the Act and that the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

745 Waste Collection Contract

The Leader of the Council agreed that this item be considered at this meeting as an urgent additional item of business to enable a decision to be taken on changes to the Waste Collection & Street Cleansing contract at the earliest opportunity.

The Cabinet received a report of the Deputy Chief Executive (Place) concerning proposed changes to the above contract.

Resolved:-

1. That the proposed changes to the Waste Collection & Street Cleansing Contract be approved and that the advantages and implications set out in the report, be noted.

2. That delegated authority be given to the Deputy Chief Executive (Place) in consultation with the Portfolio Holder Transport, Waste and Regulatory Services to agree the final terms of the proposed Deed of Variation.

Reason for decision:

As set out in the submitted report.

Other options:

As set out in the submitted report.

Note: This is an Executive Function
Referred direct to the Place Scrutiny Committee
Executive Councillor: Councillor Cox

Chairman: _____

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SOUTHEND-ON-SEA BOROUGH COUNCIL

Meeting of Place Scrutiny Committee

Date: Wednesday, 14th February, 2018

Place: Committee Room 1 - Civic Suite

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Present: Councillor K Robinson (Chair)
Councillors P Wexham (Vice-Chair), B Ayling*, H Boyd, A Bright,
D Burzotta, T Callaghan, N Folkard, J Garston, I Gilbert*,
S Habermel, D Jarvis, D Kenyon, H McDonald, J McMahon*,
J Moyies and R Woodley*
*Substitute in accordance with Council Procedure Rule 31.

In Attendance: Councillors T Cox and A Holland (Executive Councillors)
Councillors C Mulroney and C Willis
A Lewis, J K Williams, J Chesterton, E Cooney, S Houlden,
C Robinson, N Hoskins and T Row

Start/End Time: 6.30 p.m. - 8.10 p.m.

746 Apologies for Absence

Apologies for absence were received from Councillors McGlone (Substitute: Cllr McMahon), Terry (Substitute: Cllr Ayling), Ward (Substitute: Cllr Woodley) and Ware-Lane (Substitute: Cllr Gilbert).

747 Declarations of Interest

The following interests were declared at the meeting:

(a) Councillors Cox and Holland (Executive Councillors) – Disqualifying non-pecuniary interests in all the referred items; attended pursuant to the dispensation agreed at Council on 19th July 2012, under S.33 of the Localism Act 2011.

748 Questions from Members of the Public

There were no questions from members of the public.

749 Better Queensway

The Committee considered Minute 743 of Cabinet held on 13th February 2018, which had been referred direct by Cabinet to the Scrutiny Committee, together with the report of the Deputy Chief Executive (Place). This sought approval of the final parameters for the Better Queensway regeneration project, including the proposed highways alignment, so as to commence procurement to secure a partner(s) to fund, develop and manage the scheme.

In response to a question regarding Member involvement in the competitive dialogue process, the Executive Councillor for Culture, Tourism and the Economy

gave her assurances that the Cabinet Members would have sight of the commercial terms set out in the procurement documentation.

Resolved:-

1. That the following decisions of Cabinet be noted:

“1. That the results of the public consultation be noted.

2. That the plan in Appendix 4 of the submitted report be approved as the preferred indicative highways alignment for the regeneration area to be included in the procurement process.

3. That the approach to the planning application is adjusted so that the application is made by the partnership formed following procurement.

4. That the site indicated in Appendix 5 of the submitted report be included within the redline boundary for the procurement and that continuance of the Council's income stream it derives from the site is placed as a requirement of the partnership.

5. That the site boundary, as per the plan in Appendix 6 of the submitted report, be agreed as the regeneration area for which a partner(s) is sought.

6. That the level of affordable housing provided on the site shall be required to be above the current 441 affordable units and that tenderers are required to put forward their proposition to increase this provision, demonstrating how this is viable.

7. That the updated procurement objectives, set out in section 7.3 of the submitted report, are agreed in principle to be used as the basis for the procurement and that the Deputy Chief Executive (Place) and the Deputy Chief Executive (People) shall each be individually authorised, in consultation with the Portfolio Holder for Culture, Tourism and the Economy, to refine and confirm the final wording of the objectives.

8. That the principle of a second lot “Lot 2” be agreed for inclusion in the procurement and that the Deputy Chief Executive (Place) and the Deputy Chief Executive (People) shall each be individually authorised, in consultation with the Director of Finance and Resources and the Portfolio Holder for Culture, Tourism and the Economy to agree its inclusion or exclusion in the procurement process and the final wording of the Lot 2 procurement documents.

9. That the Better Queensway Project Board be authorised to approve a variation of existing professional consultant contractual arrangements in accordance with Contracts Procedure Rules 9.2 to 9.4 to accommodate additional in-scope work in support of the project up to the sum of £427k.

10. That the Better Queensway Project Board be authorised to seek extensions of existing contractual arrangements under Contract Procedure Rules 9.5 and 9.6 in 12 month increments up to a maximum of 4 more years in accordance with the terms thereof and subject to the approved financial resources.

11. That the Better Queensway Project Board be authorised to purchase any further work necessary to support the Project which is either included in the scope or defined as out of scope of the current contracts from the contracted consultants via framework agreement call-offs in accordance with Contracts Procedure Rule 8.3 in line with the approved financial resources available.

12. That approval is given to commence procurement of a 30 year partnership to fund, develop and manage the Better Queensway regeneration project.”

2. That, in accordance with Council Procedure Rule 39, the matter be referred to full Council for decision.

Note:- This is an Executive Function
Executive Councillor: Councillor Holland

750 Exclusion of the Public

Resolved:-

That, under Section 100(A)(4) of the Local Government Act 1972, the public be excluded from the meeting for the items of business set out below, on the grounds that they would involve the likely disclosure of exempt information as defined in Part 1 of Schedule 12A to the Act and that the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

751 Waste Collection Contract

The Chairman agreed that this item be considered at this meeting as an urgent additional item of business to enable a decision to be taken on changes to the Waste Collection & Street Cleansing contract at the earliest opportunity.

The Committee considered Minute 745 of Cabinet held on 13th February 2018, which had been referred direct by Cabinet to the Scrutiny Committee, together with the report of the Deputy Chief Executive (Place) concerning proposed changes to the above contract.

Resolved:-

That the following decisions of Cabinet be noted:

“1. That the proposed changes to the Waste Collection & Street Cleansing Contract be approved and that the advantages and implications set out in the report, be noted.

2. That delegated authority be given to the Deputy Chief Executive (Place) in consultation with the Portfolio Holder Transport, Waste and Regulatory Services to agree the final terms of the proposed Deed of Variation.”

Note: This is an Executive Function
Executive Councillor: Councillor Cox

Chairman: _____

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Southend-on-Sea Borough Council

Agenda
Item No.

27

Report of Director of Legal and Democratic Services

to
Council

on

22 February 2018

Report prepared by: John Williams
Director of Legal & Democratic Services

Changes to the Constitution

Part 1 - Public Agenda Item

1. Purpose of Report

For the Council to agree minor changes to the Constitution in relation to;

- Part 3 Schedules 2 and 3 – The terms of reference of the Housing Working Party and the Licensing Sub-Committees and the delegations to the Deputy Chief Executive (Place) and/or the Director of Public Protection.
- Part 4g - Contracts Procedure Rules.

2. Recommendations

- 2.1 That amendments be made to the terms of reference of the Housing Working Party and the Licensing Sub-Committees; and to the delegations to the Deputy Chief Executive (Place) and/or the Director of Public Protection as set out in Appendix 1 and that Schedules 2 and 3 of Part 3 of the Constitution be amended accordingly.
- 2.2 That amendments be made to Contracts Procedure Rules as set out in Appendix 2 and that Part 4g of the Constitution be amended accordingly.

3. Background

- 3.1 At Policy and Resources Scrutiny Committee on 31 January 2018 the portfolio holder for Housing, Planning and Sustainability stated that he wished to amend the terms of reference of the Housing Working Party to make specific reference to Homelessness and also to change the name of the Working Party to “The Housing and Homelessness Working Party” (minute 707 refers). I have been asked to draft such changes and submit them to the Council for approval. The changes are shown in Appendix 1.

3.2. It is recommended that some minor changes are made the terms of reference of Licensing Sub-Committees A, B and C as shown in **Appendix 1**:

6.2.3 Bullet point 1 – Make Licensing Sub-Committee C responsible for the licensing of sex establishments.

Convening the full Licensing Committee has proved challenging. Training the full Committee is also difficult and last year 3 different training days had to be arranged to ensure all the Committee were trained.

This proposal was discussed at the last training day for Licensing Committee members and was fully supported.

Also the Council’s Licensing Policy already provides for sex establishment licensing to be dealt with by a Sub-Committee

It is essential that the body determining any sex establishment licence is politically proportional. Licensing Sub-Committee C is made up of 9 members drawn from the Licensing Committee and is politically proportional.

It therefore seems appropriate that the determination of sex establishment licences is dealt with by Sub-Committee C as this meets all the legal requirements, would be more manageable in terms of administration and training, whilst retaining a high level of Member involvement.

Incidentally, Westminster City Council which deals with a significant number of licensing applications, has a Sub-Committee of 5.

6.3.3 (x) Delete reference to “Police” as the Licensing Act now allows Environmental Health as well as the Police to make representations on a Temporary Event Notice.

6.3.3 Bullet point 2 – Typographical error, replace “Gaming” with “Gambling”.

3.3 It is recommended that one minor change is made to the Delegations to the Deputy Chief Executive (Place) and/or the Director of Public Protection for the purposes of clarification as shown in **Appendix 1**.

3.4 The Procurement Team have carried out a general review of Contracts Procedure Rules in Part 4g of the Constitution and have identified a series of small amendments which are required, including reference to encouraging local supplier spend. The proposed amendments are shown in **Appendix 2**.

4. Background Papers

None

5. Appendices

Appendix 1 – Proposed changes to Schedules 2 and 3 of Part 3 of the Constitution

Appendix 2 – Proposed changes to Part 4g of the Constitution

and Homelessness

3.10 Housing Working Party

3.10.1 Membership

8 Members of the Council

The Chairman shall be the Leader or such other Executive Councillor as the Leader shall appoint.

Substitutes: Permitted in accordance with Standing Order 31
Proportionality: By convention political proportionality shall apply

3.10.2 Quorum

3

3.10.3 Terms of Reference

- To advise the Cabinet on strategic Housing Policy issues relating the provision and improvement of affordable and social housing in the Borough.
- To review progress on the future management of the Council's housing stock, following the report of the ALMO Task and Finish Group and the decision of Cabinet on 5th November 2013; including reviewing progress on the level of savings / efficiencies to be achieved and the performance of South Essex Homes

3.10.4 Status of Meetings

Private

To advise Cabinet on the strategic approach to the prevention, alleviation and eradication of homelessness issues (including rough sleepers) in the borough.

3.10.5 Reports to

The Cabinet

3.11 London Southend Airport Monitoring Working Party

3.11.1 Membership

8 Members of the Council

The Chairman shall be the Leader or such other Executive Councillor as the Leader shall appoint.

Substitutes: Permitted in accordance with Standing Order 31
Proportionality: By convention political proportionality shall apply

3.11.2 Quorum

3

3.11.3 Terms of Reference

To monitor the on-going operation of the London Southend Airport in the context of the environmental controls recorded in the leases and S.106 Agreements. To respond to concerns regarding air traffic movements

6.3 Licensing Sub-Committees A and B

There are two Licensing Sub-Committees, A and B Each Sub-Committee is authorised to deal with the matters set out below The Sub-Committees will be convened in turn by rota, subject to the availability of Members

6.3.1 Membership

3 Members of the Council

- (a) The Chairman of the Licensing Committee shall be a member of Sub-Committee A and the Vice Chairman of the Licensing Committee shall be a member of Sub-committee B (unless in either case the Chairman or the Vice-Chairman respectively is unable to attend a particular meeting when the provisions of the following paragraph shall apply). The Chairman of each Sub-Committee shall be the Chairman or vice Chairman of the Licensing Committee (as appropriate)
- (b) The remaining members shall be drawn from the membership of the Licensing Committee Members will be selected to attend in turn by rota, subject to availability

Substitutes	Not applicable (in view of the manner of appointment and absence of proportionality)
Proportionality	Does not apply (the Sub-committees are appointed under the Licensing Act 2003 or the Gambling Act 2005)

6.3.2 Quorum

3

6.3.3 Terms of Reference

- (a) To consider and determine applications under the Licensing Act 2003 **where representations have been made**, in respect of the following cases
- (i) Applications for personal Licences,
 - (ii) Applications for Premise Licences/ Club Premises Certificates,
 - (iii) Applications for Provisional Statements,
 - (iv) Applications to Vary Premises Licences/ Club Premises Certificates,
 - (v) Applications to Vary Designated Premises Supervisors,
 - (vi) Applications to transfer Premises Licences,
 - (vii) Applications for interim authorities,
 - (viii) Applications to review premises licences / club premises certificates,
 - (ix) Decision to objection when the Local Authority is a consultee, and not the "relevant authority" considering the application,
 - (x) Determination of ~~Police~~ representations to temporary event notices

The following responsibilities are also delegated to the Sub-committees

- Applications for personal licences with unspent convictions,
- Applications under the ~~Gaming~~ ^{Gambling} Act which are opposed

- (b) To consider and determine applications under the Gambling Act 2005 (where representations have been made and not withdrawn) in respect of the following cases
- (i) Application for Premises Licences,
 - (ii) Application for Variation to a Licence,

- (iii) Application for a Transfer of a Licence,
- (iv) Application for a Provisional Statement,
- (v) Review of a Premises Licence,
- (vi) Application for Club Gaming / Club Machine Permit,
- (vii) Cancellation of a Club Gaming / Club Machine Permit,
- (viii) Decision to give a Counter Notice to a Temporary Use Notice (Section 224),
- (ix) Matters referred to the Sub-Committee by officers, notwithstanding the delegations in Part 3 Schedule 3

6.3.4 Status of Meetings

Open to the public subject to the provisions of the Licensing Act 2003 and the Gambling Act 2005

6.3.5 Procedure at Meetings

- (a) The Chief Executive & Town Clerk shall arrange for meetings of the Sub-committees to be convened as and when required, drawing upon membership as set out above
- (b) Meetings of the Sub-committee will be conducted in accordance with appropriate legislation, procedures and the principles of natural justice which shall take precedence over Standing Orders and in particular Standing Order 39 shall not apply

6.3.6 Reports to

The Licensing Committee

6.4 Licensing Sub-Committee C

6.4.1 Membership

9/8 Members of the Council

Substitutes	Permitted in accordance with Standing Order 31
Proportionality	Applies

6.4.2 Quorum

As per Standing Order 38 1

6.4.3 Terms of Reference

(including sex establishments licences)

To consider and determine all applications, except matters reserved to the Licensing Committee and / or Sub-committees A & B pursuant to the Licensing Act 2003 and the Gambling Act 2005

6.4.4 Status of Meetings

Open to the public (in part)

6.4.5 Procedure at Meetings

Meetings of the Licensing Sub-committee C shall be conducted in accordance with appropriate legislation and procedures, which shall take precedence over Council Standing Orders. Applicants, objectors and their representatives are entitled to attend meetings to give evidence as required

6.4.6 Reports to

Council

- Developing and maintaining a Public Health Plan for the Council
 - Meeting the Council's obligations for liaison with and support to Public Health England
 - Providing Public Health leadership, advice and information to the public as required by the Health Act 2006
 - Preparing and publishing an annual report on Public Health in Southend
 - Discharging the responsibility for co-operation and joint working in relation to public health within Southend on behalf of the Council.
 - Discharging the responsibilities for health and social care research and information in relation to public health and well being
 - Overseeing the responsibilities of the Council for liaison with voluntary sector social care and health organisations
 - Protecting the health of the population for infectious diseases and environmental hazards
 - Emergency preparedness
- The Director of Public Health shall act as the statutory officer under section 73A of the National Health Service Act 2006, as amended by the Health & Social Care Act 2012, and in particular will act as Lead for the delivery of public health services within Southend (Note This role cannot be discharged by the Deputy Chief Executive (People) unless he meets the professional requirements specified in the Department of Health Guidance)

4.10 The Deputy Chief Executive (Place) and / or the Director of Planning & Transport

- To discharge the Council's functions (including but not limited to determining all consents, permissions and licences, and taking enforcement action) in relation to.
 - Town and Country Planning (subject to the Special Scheme of Delegation for Planning in Section 5)
 - Building control
 - Dangerous buildings
 - High hedges
 - Highways and footpaths (including adoption and closure and S 6 of the Essex Act re verges)
 - On and off street parking
 - Highways maintenance and lighting
 - Traffic management, including Emergency Traffic Regulation Orders
 - Naming and numbering of streets
- See also Section 5 7 for Special Scheme of Delegation for Planning and Building Control

4.11 The Deputy Chief Executive (Place) and / or the Director of Public Protection

- To discharge the Council's functions (including but not limited to determining all consents, permissions and licences, and taking enforcement action) in relation to
 - (a) Regulatory Services, which include
 - Environmental Health, environmental protection, public health, health and safety in premises, clean neighbourhoods and public protection
 - Trading standards and consumer protection
 - Market and street trading *by the law*
 - All Licensing matters not reserved to the Licensing Committee or any Licensing Sub-Committee
 - (b) Community safety and the reduction of crime and disorder (including CCTV)

Part 4(g) – Contracts Procedure Rules

1. Introduction

The Council is accountable to the public for the way it spends public funds. Professional procurement activities contribute to the efficient, effective and economic delivery of services to the public, maximising the benefits available from the budgets and ~~support~~supporting the Council's strategic objectives. The Council's reputation is of the ~~upmost~~utmost importance and should be safeguarded from any suggestion of dishonesty, corruption or failure to meet legal obligations.

These Contracts Procedure Rules (CPR'sCPRs) ensure these accountabilities and objectives are addressed.

2. Procurement Thresholds & Exemptions

Procurement covers the total process of purchasing for all bought in services, supplies and works; from the initial assessment of the business need, to acquisition or extension, and contract management.

Total contract value means the estimated/aggregate spend or recurring value payable over the entire contract period including any extensions of contract.

Section 7.1 provides further details on how to calculate contract value.

2.1 Thresholds

The table below sets out the different financial thresholds.

	Total Contract Value (excl. VAT)	Lead Role	Procurement Process	Procurement System
Low Value	£1 to £1,000,999.99	Council Officer	Obtain 1 written or verbal quotation <u>demonstrating best value- where possible this should be a local supplier*</u>	If appropriate, process a Procurement Card transaction <u>transactions</u> in accordance with procedures. Otherwise, process as for Minor below
Minor	£1,001,000 to £49,999.99	Council Officer	Obtain a minimum of 1 written supplier quote that demonstrates best value- <u>where possible this should be a local supplier*</u>	Create a requisition in Procure to Pay (P2P), <u>entering</u> enter a spend justification and <u>attaching</u> attach preferred supplier quote
Medium	£510,000 to £24,999.99	Council Officer	Obtain <u>a minimum of 3</u> written supplier quotes and evaluate to determine best value- <u>this should include (where possible) as a minimum 2 local suppliers*</u>	Create a requisition in P2P, <u>entering</u> enter a spend justification and <u>attaching</u> attach preferred supplier quote

Major	Threshold (a) £25,000 to £74,999 <u>99</u> Threshold (b) £75,000 to 172,513 £181,302	Procurement Advisor	Threshold (a) and (b) Contact procurement and seek support to develop specification or tender document, advertise, evaluate and award contract Threshold (b) required to issue a tender <u>complete and</u> <u>options appraisal, issue a</u> <u>tender, secure approval to</u> <u>award and then complete a</u> <u>signed contract</u>	Council's website, Contracts Finder / e-Procurement to advertise and award contract Create a requisition in P2P, entering <u>enter</u> a spend justification and referencing <u>reference</u> contract in P2P
OJEU Contract	£ 172,514 181,302 and over unless (a) social care, health education £ 625K 615,278 and over (b) works and <u>concession</u> <u>contracts**</u> £4,322M551,413 and over	Procurement Advisor	Contact procurement and follow EU Procurement Rules for Service, Supplies and Works Contracts	Council's website, Contracts Finder / e-Procurement and OJEU to advertise and award contract Create a requisition in P2P, entering <u>enter</u> a spend justification and referencing <u>reference</u> contract in P2P

(*) The use of Local Businesses is promoted and encouraged between the Low to Medium Thresholds, but should not supersede the Primary requirement of Council Officers to try and ensure the best possible value for Public Money Achieving value for Public Money should be reasonably and proportionally measured in terms of Price, Quality and the possible Social Value benefits associated with using Local Businesses

A Local supplier is defined within Agresso as a Supplier whose address is listed as a Southend postcode, which include SS0, SS1, SS2, SS3 and SS9

For the avoidance of doubt the Council would like to pro-actively increase the level of money it spends within the Borough However, it is understood this may not be possible in a number of cases For this reason any work carried out by Officers in the pursuit of value, but which is not able to secure local quotes will not be subject to delay because of this

** The purpose of the Concession Regulations 2016 is to provide clear rules to increase competition in the concession market This is in parallel with the requirement that public procurement should be based upon an organisation fulfilling its legal obligation to obtain best value for money through market competition In order to maximise the achievable value, all potential Concession Contracts over the £25K value should be competitively let in an open, fair and transparent manner, utilising calls for competition in line with the requirements set out in 2 1 (Thresholds) and 7 2 (Detailed Procurement Process in Relation to Thresholds)

Further detailed information on the Procurement Processes detailed in this table is contained within **section 7.2**

2.2 Exemptions to CPR's ~~the~~ CPRs*

The following types of procurement are exemptions and not covered by these CPR's CPRs

- Grants which the Council may receive or make, except where the grant is the form of payment ~~for~~in a contract for ~~services~~a service, supply or works (or any combination thereof) where the Council ~~specifies~~requires an output or outcomes to be delivered by a Third Party The awarding of grants by the Council or on behalf of the Council must be carried out under the principles of openness, fairness, non-discrimination and value for money Officers cannot choose to treat procurement as a grant in order to avoid conducting a competitive process The Council's Financial Procedure Rules provide more guidance on the awarding and the receiving of grants

- The purchase or lease of property, land acquisition, interest in land, transaction in land or disposal This rule does not extend to any service, supplies or works contracts that may be required to make the land, existing buildings or immovable property ready for acquisition, disposal or leasing
- Direct employment of permanent or fixed-term employees For the avoidance of doubt, these CPR's/CPRs do apply to consultancy and employment agency contracts
- Contracts for the execution of either mandatory works or provision of goods or services which must be provided by a Statutory Provider other than the Council This includes but is not limited to public utility companies and other legal authorities
- Contracts which have been procured on the Council's behalf through collaboration with other local authorities or other public bodies ~~(advice on frameworks please see section 8.3)~~ In such instances a competitive process must be followed that complies with the rules / regulations of the lead organisation even though these may not comply wholly with these rules The use of any third party rules and regulations must be approved by the Group Manager of Procurement prior to the commencement of any collaborative procurement This includes but is not limited to national or regional contracting authorities where the process followed is in line with the Public Contracts Regulations 2006 or 2015 or any other subsequent amendment Where a collaborative procurement is undertaken, the regulatory requirements of both organisations must be adhered to, e.g. The National Health Service (Procurement, Patient Choice and Competition) (No. 2) Regulations 2013 and the Public Contract Regulations 2015
- Instructing barristers or external solicitors and those costs do not exceed £74,999
- Specialist professional services, where the Council's costs are being discharged by a third party and those costs do not exceed £74,999
- Spot care placements ~~(+e~~ which may include special educational needs (i.e. individual placements that fall outside of any block contracting arrangements) are excluded from the requirement but have to be approved through separate approval processes
- The lending or borrowing of money by the Council
- The acquisition or exhibiting of unique works of art or artistic performance where they are only available from a single source and the related costs of do not exceed £24,999.99 across the life of the agreement This exemption does not extend to any medium or long term contract in which a Party would have an exclusive or non-exclusive right to provide the Council with multiple exhibitions or artistic performances over one or more years
- Arrangements with Ofsted for the inspection of a school
- If any law says we must contract differently from these CPR's/CPRs
- For the avoidance of doubt exemptions do not include emergencies, this is covered in Section 8.11.

*Officers must ensure that any procurement is carried out in relation to any of these areas listed exemptions is consistent with the Council's duty to obtain value for money, as well as the current procurement strategy and other relevant policies of the Council

The Council maintains a list of Exemptions which is reviewed on a regular basis This can be found at

<http://seattle/Pages/Payment-with-Purchase-Order.aspx>

Exceptions and Emergencies are detailed in **Sections 8.9, 8.10 and 8.11**

2.3 Procurement Review Board

The Procurement Review Board (PRB) is a board set up to take a strategic role in scrutinising and monitoring the Council's expenditure in the context of procurement activity (see section 5.6) The Corporate Procurement Team is responsible for reporting to the PRB on compliance and on progress against the Annual Procurement Plan There is a review underway and in the interim, quarterly reports

shall go via the Corporate Management Team (CMT) whilst a longer term reporting board/group structure is agreed

3. Purpose of the Contracts Procedure Rules

The purpose of these CPR's is to set out the principles of procurement, roles and responsibilities, rules and processes involved in purchasing services, supplies and works contracts across the Council. They do this to better protect the Council and its Officers from legal challenge, reputational damage and the negative effects of such damage. When using the term contract, this also covers the delivery of pilots and the usage of grants unless they are covered within section 2.2.

The CPRs should be read in conjunction with the Council's Financial Procedure Rules, **Part 4(f)**, as well as the Council's Procurement Strategy and Procedures

In addition, these CPRs reflect the EU Procurement Regulations, The Public Contract Regulations 2015 and UK legislation. Any misuse or failure to comply with any of these CPRs may result in disciplinary action and legal proceedings. It should be noted the term contract also refers to any agreement put in place which looks to implement the delivery of a Pilot Scheme, as well as the usage of grants (as referenced within Section 2.2 (Exemptions to the CPRs))

Any non-compliance shall be reported to the Group Manager of Procurement, who will decide in conjunction with the appropriate Deputy Chief Executive/Corporate Director/Head of Services what further action needs to be taken

These CPRs are supported by detailed guidance included within the Council's Procurement Toolkit. The Toolkit explains in more detail procurement and contract management processes, but does not override these CPRs. All procurement activity needs to adhere to the Scheme of Delegation and Financial Limits as set out in the Financial Procedure Rules

These CPRs will be reviewed by the Group Manager of Procurement at least every 12 months

4. Principles of Procurement

The Council's approach to professional procurement, underpinned by its values, is driven by a number of principles that include but are not limited to those set out in table below

Principle	Meaning of the principle
Achieving the best commercial value	Using the Council's purchasing power to negotiate and leverage <ul style="list-style-type: none"> ▪ The best commercial price from the marketplace ▪ Robust legal terms and conditions ▪ Effective, efficient and economic use of resources
Complying with Regulatory and Legislative requirements	Ensure the Council is <ul style="list-style-type: none"> ▪ Not exposed to unnecessary risk and likelihood of challenge arising from non-compliant procurement activity ▪ Compliance with current legislation, up to date with guidance notes, tools and templates issued by Cabinet Office ▪ Open, fair and transparent and fully compliant with EU Procurement Regulations, the Public Contract Regulations 2015 and UK legislation
Meeting Government Acts and statutory duties	Meeting applicable standards and accreditations on <ul style="list-style-type: none"> ▪ Social Value Act 2012 and any subsequent acts (also refer to the Council's Social Value Policy) ▪ Acting within the laws of the Bribery Act 2010 and any subsequent acts ▪ The Modern Slavery Act (also refer to the Council Modern Slavery statement) ▪ Quality and Environmental ▪ Security Information Management ▪ Freedom of Information, Data Protection (including GDPR 2018) and Transparency Acts

	<ul style="list-style-type: none"> ▪ Health and Safety
MonitoringPromote sustainability	<p>Assessing and monitoring the impact on</p> <ul style="list-style-type: none"> ▪ The environment and any exposure to environmental risks ▪ Society such as support for equality and diversity ▪ Supporting local <u>Small and Medium Enterprise (SME) supplier markets-</u> ▪ Ensure that suppliers do not become financially over-dependent on Council contracts ▪ To develop and sustain effective supplier and market relationships
Maintaining ethical standards	<p>Operating openly and transparently by</p> <ul style="list-style-type: none"> ▪ Adhering and performing within the Council's code of conduct ▪ Notification and recording of any declarations of interest throughout the Procurement process via the Agresso system and relevant project team ▪ Acting within the laws of the Equalities Act 2010 and any subsequent acts ▪ Ensuring our suppliers allow for equal opportunities ▪ Allowing diversity amongst our approved supplier base ▪ Ensure that Non-Commercial Considerations do not influence any contracting decision ▪ To keep our supplier records relevant and up to date

5. Roles and Responsibilities

All Officers must comply with these ~~CPR's~~CPRs, the Council's Constitution ~~and, the~~ Public Contract Regulations- 2015, EU Procurement Regulations and UK Legislation. Officers must ensure that any Agents or Consultants acting on their behalf also comply

5.1 Deputy Chief Executives and Corporate Directors and Heads of Service shall:

- (a) Agree their annual departmental procurement plans with the Group Manager of Procurement before the start of each financial year. The plans should accurately detail existing contracts / spend, pending contract renewals and any new contract / spend identified for the coming year-
- (b) Appoint Officers in their departments as ~~designated~~Designated Procurement Officers who are trained in the administration of purchasing services, supplies and works-
- (c) Appoint Officers in their departments as Contract Managers who are trained in contact management and supplier relationship management-
- (d) Ensure Procurement Officers and Contract Managers are appropriately trained, supervised, appraised and have access to the necessary systems and understand the importance of following these rules-
- (e) Be responsible for approving and delegating approval of contracts / spends in their department, including any variations to contracts where there are financial, legal or commercial implications-
- (f) Collaborate with the Group Manager of Procurement and Audit on an Annual Procurement Plan to ensure compliance within their departments

5.2 Designated Procurement Officers must:

- (a) Appraise purchases, in a manner commensurate with their complexity and value – taking account of guidance in the Procurement Toolkit-
- (b) Purchase services, supplies and works in accordance with the ~~CPR's~~CPRs, demonstrate best value and ensure no commitment is made without written authorisation-
- (c) Check whether a suitable approved supplier, contract, purchasing or framework agreement already exists before purchasing or letting a contract for services, supplies and works-

- (d) Develop a clear and precise set of purchasing requirements, including (but not limited to) written specification / scope, evaluation criteria, drawings, seasonal trends, historical data, benchmark data, timescales and delivery details-
- (e) Create purchase requisitions in advance of the supply of services, supplies and works except where a Purchase Card transaction or Payment without a Purchase Order request applies. All purchase requisitions should be under the Council's agreed Terms and Conditions-
- (f) Any ~~conflict~~ declaration of interest must be declared notified immediately to the Group Manager of Procurement to avoid any conflict of interest when purchasing goods, services and works. This declaration must also be detailed via the Agresso system so that appropriate approval is sought and provided

- (g) Ensure advice is sought where required and/or relevant from the Corporate Procurement Team on the application of these CPRs, Procurement Regulations or tendering procedure

5.3 Procurement Advisors shall:

- (a) Provide procurement advice and support to Officers, Deputy Chief Executives and Corporate Directors and Heads of Service on how to purchase services, supplies and works in accordance with these ~~CPR's~~CPRs. This advice includes administering adverts / frameworks, developing specifications / tenders, conducting evaluation processes, publishing awards and operating procurement systems
- (b) Notify the Group Manager of Procurement in a timely manner of any anticipated unplanned procurement expenditures in service areas for the forthcoming financial year
- (c) Ensure that procurement requirements are properly defined, procurement activity is competitive, transparent, fair, and complies with the relevant legislation and demonstrates best value
- (d) Support each department to proactively performance manage supplier contracts as part of an agreed contract management plan
- (e) Maintain and update the public contracts register

5.4 Group Manager of Procurement shall:

- (a) Deliver contracts in a manner contributing to the following key objectives ensuring compliance with EU guidelines, legislation and other procurement policy and regulatory frameworks available to the wider public sector and local authorities and contributing to the achievement of value for money / cashable savings
- (b) Review in accordance with these ~~CPR's~~CPRs exceptions and variations to terms & conditions, in consultation with the Head~~Director~~ of Finance and Resources and Head of Legal and Democratic services where there are financial and legal implications respectively
- (c) Allocate resource to key procurement projects to ensure delivery of the Annual Procurement Plan
- (d) Ensure Procurement Advisors keep up to date with these ~~CPR's~~CPRs, the Council's Financial Procedure Rules, the Procurement Toolkit, other relevant Guidelines and Procurement Legislation
- (e) ~~Continually~~Regularly review ~~CPR's,~~the CPRs and the Council's Procurement Strategy and Sustainable Procurement Policy

5.5 Corporate Procurement Team shall:

- (a) Provide procurement advice and support to Officers, Deputy Chief Executives and Corporate Directors and Heads of Service on how to purchase services, supplies and works in accordance with these ~~CPR's~~CPRs. This advice includes administering adverts / frameworks, developing specifications / tenders, conducting evaluation processes, publishing awards and operating procurement systems
- (b) Monitor compliance and notify the Group Manager of Procurement in a timely manner of any anticipated exceptions to ~~CPR's~~the CPRs or unplanned procurement expenditures in service areas for the forthcoming financial year
- (c) Resource to ~~key~~Major and EU procurement projects to ensure delivery of the Annual Procurement Plan

5.6 Procurement Review Board (PRB) as detailed in section 2.3 shall:

- (a) Undertake a strategic role in scrutinising and monitoring the Council's expenditure in the context of procurement activity

- (b) Receive compliance reports against all procurement activity
- (c) Receive reports of progress against the Annual Procurement Plan
- (d) Review any unplanned procurement activity reported to it that which exceeds £74,999.99 and directly approve a course of action to address any such unplanned ~~procurements~~ procurement processes (subject to the normal authorities set out in Section 6 below-)

- (e) Consider opportunities across departments and service areas where joint initiatives can be investigated and implemented, which in turn may deliver better value
- (f) Report to Internal Audit and the Fraud Team any action which is evidenced to be contrary to the practices set out in the CPRs

6. Approval to Spend

6.1 Requirements before commencing any procurement

Before commencing any procurement activity the following approvals to proceed must be in place

- (a) Contracts that are under £75,000 require approval pursuant to the Delegation Scheme in **Part 3, Schedule 3** of the Constitution and 6 1(e) and -6 2 below, including budgetary approval
- (b) Contracts of £75,000 and above require the authority of Cabinet or of a Chief Officer (pursuant to the Delegations Scheme in **Part 3, Schedule 3** of the Constitution and 6 2 below), including budgetary approval, provided that where the contract has been included in the Annual Procurement Plan then this provides the necessary authority for the Contract
- (c) Contracts within (a) or (b) which are Capital Contracts must be included in the Capital Programme in accordance with the Financial Procedure Rules
- (d) Contracts where external funding is being obtained within (a) or (b) must comply with the External Funding Rules in the Financial Procedure Rules-
- (e) Financial levels of authority for Request for Quotation or Invitation to Tender

Issue of Request for Quotation or Invitation to Tender (subject to budgetary approval)	
Cabinet / Schools Governing Bodies	Contract with an estimated value of over £1 million which is not included in the Annual Procurement Plan or where the value <u>of the Commercial Bids received</u> is in excess of that <u>included the budget confirmed</u> in the Annual Procurement Plan (for contracts over £1 million)
Directors <u>Deputy Chief Executives</u>	1 Contract with an estimated value of over £1m already included in the Annual Procurement Plan 2 Contract up to £1 million
Authorised Officers	Head of Service Corporate Director- contract with an estimated value up to £500k Group Manager- contract with an estimated value up to £75k Business Unit Manager- contract with an estimated value up to £25k Line Manager- contract with an estimated value up to £10k
Head Teachers and their Authorised Officers	In accordance with the delegated powers stipulated by the relevant Board of Governors

6.2 Award of Contract

Financial levels of authority for Award of Contract

Award of Contract (subject to budgetary approval)	
Cabinet / Schools Governing Bodies	Contract over £1 million where the tender is in excess of the budget agreed at invitation stage or included <u>as stated</u> in the Annual Procurement Plan Note Contracts over £1m must be executed under seal in accordance with Rule 7.3. (b)
Directors <u>Deputy Chief Executives</u>	1 Contract over £1 million where tender is within the budget agreed at invitation stage or <u>and which was</u> included in the <u>Annual Procurement Plan</u>

	2 Contract up to £1 million
Authorised Officers	Head of Service Corporate Director - contract with an estimated value up to £500k Group Manager_- contract with an estimated value up to £75k Business Unit Manager_- contract with an estimated value up to £25k Line Manager_- contract with an estimated value up to £10k
Head Teachers and their Authorised Officers	In accordance with the delegated powers stipulated by the relevant Board of Governors

7. Detailed Procurement Rules

To ensure the purpose and principles set out earlier in GPR's CPRs are met, the following detailed rules must be adhered to at all times

7.1 Calculating Contract Value

Before entering into any contract, the correct contract value must be calculated in advance. Contract value means the estimated aggregate or recurring value payable in pounds sterling exclusive of Value Added Tax (VAT) over the entire contract period including any extensions of the contract. Where the contract term is without fixed length (e.g. an open approved supplier list) the estimated value of the contract should be calculated by monthly value of spend multiplied by 48 in accordance with regulation 86 of the EU regulations. When calculating the contract value to determine the correct Procurement Threshold, Officers must not underestimate or split the value of a single contract over a number of contracts to ~~artificially avoid certain procurement thresholds~~ (Disaggregation) to artificially avoid certain procurement thresholds. The value of a concession is to be calculated on the basis of the total turnover of the concessionaire generated over the duration of the contract, net of VAT, as estimated by the Council, in consideration for the works and services which are the object of the concession as well as for the supplies required for such works and services.

7.2 Detailed Procurement Process in Relation to Thresholds

Once the contract value has been calculated, all known or new purchasing contracts are made in accordance with the procurement thresholds and process detailed below, ~~except where~~ unless an exception has been agreed in advance as detailed in **Sections 8.9 and 8.10**. Officers should seek advice and support from Procurement Advisors to ensure they comply with the GPR's CPRs and EU Procurement Rules. The thresholds are summarised in more detail below and apply to known procurements that are contracts due for renewal and new spend agreed within the procurement plan.

Threshold	Procurement Process
£1 to £1,000 <u>999.99</u>	An Officer should obtain one written or a verbal quote from a supplier (<u>this should be a local supplier* wherever possible</u>) who accepts a Procurement Card and complete the card transaction. <u>The audit purposes and for Scrutiny Checks by the Corporate Procurement Team officers should ensure they retain evidence best value has been achieved for the Council even at this level of spend</u> . In circumstances where the Officer does not have a Procurement Card and/or the supplier does not accept a Procurement Card, the Officer should follow the process described in the £1,001 to £49,999.99 threshold below.
£1,004 <u>000</u> to £49,999 <u>99</u>	An Officer should obtain a minimum of one written quote (<u>where possible this should be from a local supplier*</u>) and create a purchase request in P2P and enter a spend justification to evidence that best value has been achieved for the Council. The Officer will also need to attach the preferred supplier quote within the purchase request.
£5 <u>10,000</u> to £24,999 <u>99</u>	An Officer should obtain <u>a minimum of three written quotes, of which at least two should be from local suppliers*</u> , and create a purchase request in P2P and enter a spend justification to evidence that best value has been achieved for the Council. The Officer will also need to attach the preferred supplier quote within the purchase request.
Threshold (a) £25,000 to £74,999 <u>99</u>	An Officer should contact their nominated Procurement Advisor for advice and support. The Officer will need to develop a specification and evaluation criteria with the Procurement Advisor as it is mandatory within this threshold to formally advertise the procurement contract and publish an award.
Threshold (b) £75,000 to £172,513 <u>181,301.99</u>	The Procurement Advisor will advise if there are any relevant tendering requirements (normally for spends of £75k and over), if there are any suitable Government Frameworks available to use and the most suitable procurement procedure to follow.

	Once the procurement process is complete and the award is made, the Officer will be required to create a purchase request in P2P
£172,514,181,302 and over unless (a) social care, health education £625K615,278 and over (b) works and concession contracts £4,322M551,413 and over	An Officer should contact their nominated Procurement Advisor for advice and support. It is mandatory within this threshold to follow EU Procurement Rules for service, supplies and works Contracts. The Procurement Advisor will advise the Officer on the correct process to follow. It should be noted that concession contracts are usually contracts where the Council may partially subsidise or not fund the service at all, but where the operating of the contract relies upon income generation (e.g. the Operation of the Leisure centres). In this case the contract value is based upon the expected income throughout the life of the contract. Once the procurement process is complete and the award is made, the Officer will be required to create a purchase request in P2P

(*) Further information on the responsible use of Local Suppliers is confirmed under **Section 2.1 (Thresholds)**

7.3 Contract Documentation, Contract Award and Signing and The Contracts Register and Storage of Contracts

(a) Documentation

The Council has a standard set of terms and conditions which are included as part of the purchase order requirements sent to suppliers. These terms and conditions are used as part of the procurement process for Minor and Medium sized contracts that do not have complex requirements, and are not to be varied.

Where more complex procurement requirements need tailored or specific terms and conditions (i.e. NEC Framework, performance related incentives, payment terms) usually within tender requirements for Major or OJEU contracts, written approval must be sought from the Group Manager of Procurement and / or Head of Legal and Democratic Services to vary the Council's terms and conditions. In all cases, irrespective of value, purchase orders and contracts shall clearly specify as a minimum:

- Details of what is to be supplied (i.e. the works, materials, services, deliverables or description of works)
- Payment terms (i.e. the price to be paid and when) this can be a schedule of multiple payments and / or milestone payments-
- The dates, or times, within which the contract is to be performed, and the provisions for the Council to terminate the contract

(b) Contract Award and Signing

The necessary Authority for the awarding of a contract is set out in the table below:

Award of Contract (subject to budgetary approval)	
Cabinet / Schools Governing Bodies	Contract over £1 million where the tender costs provided are in excess of the budget agreed at invitation stage or included as stated in the Annual Procurement Plan. Note Contracts over £1m must be executed under seal in accordance with Rule 7.3 (b)
Directors Deputy Chief Executives	1 Contract over £1 million where tender is within the budget agreed at invitation stage or included as stated in the Annual Procurement Plan 2 Contract up to £1 million
Authorised Officers	Head of Service Director- contract with a value up to £500k Group Manager- contract with a value up to £75k Business Unit Manager- contract with a value up to £25k

	Line Manager_ contract with a value up to £10k
Head Teachers and their Authorised Officers	In accordance with the delegated powers stipulated by the relevant Board of Governors

All contracts that exceed £1m, must be executed under the Common Seal of the Council and a copy of the Contract in the agreed format must be provided to the Legal Department for Storage

Contracts which have a value below £1m, but for which a longer limitation period is considered necessary to protect the Council's interests (e.g. design contracts, construction contracts) shall be executed under seal

All other Contracts can be signed by a ~~Director~~ Deputy Chief Executive, Authorised Officer or Head Teacher subject to the Approved Limits in the table above

(c) The Contracts Register and Storage of Contracts

The Corporate Procurement Team is responsible for keeping

- A register of all ongoing Council contracts which have been run via the E-Procurement system,
- An electronic copy of all contracts, ~~and~~
- ~~The original of all contracts, save where the contract has been executed under seal where the original shall be sent to the Head of Legal and Democratic Services to be stored in the Deeds Safe~~

7.4 Signing of Non-disclosure agreements and Letters of Intent (LOI)

Non-disclosure agreements can only be signed by approved signatories detailed within **7.3 (b)** or by the Group Manager Procurement. In addition, ~~it is~~ the Council's policy not to enter into discussions with suppliers based on Letters of Intent (LOI)

7.5 Code of Conduct

All Officers must always comply with the Council's Employee Code of Conduct which means that where their role involves procuring, managing or using the Council's contracts they must comply with the ~~CPR's~~ CPRs and Financial Procedure Rules on the award of orders and contracts. In addition, any potential or actual conflicts of interest (financial or non-financial) or relationships that may impact on their involvement in procuring, managing or using the Council's contracts must be declared to the appropriate Council manager. Officers must also not offer, promise, give or receive any gift, loan, fee, reward, regard or advantage from or to contractors or potential contractors in respect of the award or performance of any contract.

Breaches of the Council's Employee Code of Conduct (inside or outside of work) will be investigated and may result in disciplinary action. Serious breaches of the code may be considered gross misconduct and result in dismissal without notice.

7.6 Record Keeping Process for Contracts of £75,000 and above

Procurement Advisors shall record and retain

- Contracting ~~decisions~~ decisions and reasons (including route to market)
- Any ~~exemption~~ exceptions or exemptions together with the reasons for it
- The Award Criteria
- Tender and Quotation documents sent and received from Tenderers
- Pre-tender market research
- Clarification and post-tender negotiation (incl. minutes)
- Copies of the contract documents (original contracts see **7.3 (c)**)
- Post-contract evaluation and monitoring

- Communications with Tenderers and with the successful contractor throughout the period of the contract
- Post Award contract documentation such as Variations, Extensions, Reviews, Breaches and performance notices

Full guidance is contained in ~~Appendix 4~~ of the Procurement Toolkit

7.7 Record Retention Process for Contracts of £75,000 and above

The Central Procurement Team shall retain

- Successful contract files for twelve (12) years after the end of the contract for all sealed contracts
- Successful contract files for six (6) years after the end of the contract for all other contracts
- Unsuccessful contract files for two (2) years ~~Documents which relate to unsuccessful Candidates may be electronically scanned after twelve months from award of contract, provided there is no dispute about the award~~
- An electronic copy ~~and the original~~ of the contract (unless executed under seal when the original will be held by Head of Legal and Democratic Services – see **7.3 (c)**)

Full guidance is contained in ~~Appendix 4~~ of within the Procurement Toolkit

8 Procurement Method

All Major and OJEU Contracts within the Council should adhere to the following processes detailed within **Section 8.1**, unless they have been granted an exception under **Section 8.9 and 8.10** or an emergency under **Section 8.11** Further detailed guidance for each process can be found within the Council's Procurement Toolkit

8.1 Process for Major and OJEU contracts

Step	Process
Pre-Procurement Activities	<p>1. Market research – Undertake research to identify potential suppliers, estimated contract value and appropriate industry standards or regulations This may include early supplier engagement through soft market testing, however any activities carried out at this stage should not distort future procurement competition nor prejudice any potential Supplier</p> <p>2. Establish route to market – Identify existing contractual arrangements in form of</p> <ul style="list-style-type: none"> ▪ Framework Agreements that have been set up with a list of pre-assessed Suppliers- ▪ Pre-Approved supplier list ▪ Other approved sources of supply <p>In the absence of the aforementioned, a competitive tender procedure should be selected as defined in the Public Contracts Regulations 2015</p> <p>3. Defining the requirement – A written document in the form of a specification detailing what services / supplies / works are required, outcomes, technical requirements including designs/drawings and commercial requirements This also requires defining the evaluation and award criteria required to assess Supplier proposal</p> <p>4. Prepare options appraisal – A descriptive note highlighting the outcome of the Market Research, the preferred route to market and estimated project cost against approved project budget This document is required for all procurements with estimated contract value that exceed £74,999 Options Appraisal shall be approved by the relevant Corporate Director and / or Head of Service and the Group Manager for Procurement</p>

Procurement Activities	<p>5. Advertise – if employing a competitive tender procedure, contract opportunities with an estimated contract value that exceeds £24,999.99 must be made available electronically in the public domain by placing adverts on Contracts Finder. Where the contract value exceeds £172,513,181,302, contract opportunities must be advertised electronically in the European Journal prior to placing adverts on Contract Finder.</p> <p>6. Manage tender process – All tenders will be managed through the Councils E-Procurement System unless a manual tendering process is approved by the Group Manager of Procurement. The minimum activities required at this stage are:</p> <ul style="list-style-type: none"> ▪ Invitation to tender - Instructions to potential Suppliers on how to respond to an invitation to tender by submitting a proposal for a contract opportunity. This document will include specification, timescales for the tender process and the Terms and Conditions that will govern the eventual contract. ▪ Tender receipt and opening - Procurement Advisors will open received Supplier proposals in accordance with the tender submission deadline. The opening of Tenders must be completed by Officers who will not be involved in the evaluation process and award of the contract. See detailed instructions in Appendix B of these CPRs. ▪ Evaluation and moderation - Officers that form part of the evaluation panel must evaluate and score all technical proposals submitted by Suppliers individually. The commercial evaluation can only be carried out by a Procurement Advisor. A moderation meeting coordinated by a Procurement Advisor will be required to record all final consensus scores. <p>7. Contract award – Awarding contracts with a value that exceeds £24,999.99 must be made available electronically in the public domain by placing the Contract Award Notice on Contracts Finder. Where the contract value exceeds £172,513,181,302 (or the corresponding OJEU threshold as set out in 7.2, the Contract Award Notice must be available electronically in the European Journal prior to placing a notice on Contract Finder.</p>
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All purchases made under the CPR's require a method to instruct and transact with the supplier which is completed by using the Council's Purchase to Pay system (P2P) or Procurement Card Programme (P-Card)

P2P enables Officers to enter their purchasing requirements, manage authorisation, make payments to suppliers and provides a mechanism to report on the Council's expenditure

8.2 Using the Council's Approved Suppliers

All suppliers are entered and maintained within the Council's approved supplier database which is managed jointly between the Corporate Procurement Team and Finance. Prior to entering the suppliers onto the database, they must pass assessment criteria to hold approved supplier status on the Council's database. For the avoidance of doubt the use of Approved Suppliers does not negate the responsibility of Officers to undertake a process to achieve best value. Furthermore, named Contractors operating under the Council's corporate contracts cannot be used to avoid undertaking a process for any requirement not confirmed in the related contract.

8.3 Using Dynamic Purchasing Systems (DPS) and Approved Framework Agreements

The Council's Corporate Procurement Team will advertise, tender and award contracts with agreed terms for the Council to use with pre-approved suppliers. These agreements help the Council control its costs and operate with third parties using a robust set of terms and conditions. In addition, the Corporate Procurement Team also has access to Framework Agreements that have been established by other Public Sector Bodies and are accessible to the Council, subject to the terms of the Framework Agreement.

Officers should seek advice from their nominated Procurement Advisor to ascertain if approved suppliers and framework agreements exist for their requirements before entering into a contract.

The Council through their Electronic Procurement System also have access to a Dynamic Purchasing System. This allows the Council to operate an open ended approved supplier list which is available for new suppliers to join on an ongoing basis.

8.4 Create Purchase Requisitions and issuing of Council Purchase Orders

With the exception of a Payment Without Purchase Order (PWPO) request and Procurement Card transactions, all purchasing requirements must be accompanied by an official purchase order which includes the Council's agreed terms and conditions.

An Officer is required to create a purchase requisition in advance of the supply of services, supplies or works which will issue a purchase order to a supplier once approved under the scheme of delegation. Under no circumstances should purchase requisitions be raised retrospectively to cover any invoiced services, supplies or works. If however special circumstances apply then a PWPO form would need to be attached to any retrospective order raised on Agresso.

8.5 Confirm Services, Supplies or Works have been received

An Officer is responsible for accepting the services, supplies or works received from the supplier, and ensuring it meets the standards set in the purchase order or contract.

8.6 Payment without Purchase Order (PWPO)

In certain circumstances, there are payments to suppliers or third parties, where it would not be practical to raise a purchase requisition in advance of supplying services, supplies or works. For these exceptions, a Payment without Purchase Order form should be completed. These circumstances where a PWPO applies are listed at

<http://seattle/Pages/Payment-with-Purchase-Order.aspx>

8.7 Procurement Card Programme (P-Card)

P-Card's are used to procure one off, low cost services and supplies, saving Officers both time spent on ordering and speeding up the delivery of your goods and services. The P-Card eliminates the

need to set up suppliers, enter purchase requests and handle invoices multiple times across the organisation P-Cards must not be used to circumvent CPR's the CPRs in anyway

8.8 Segregation of duties in P2P:

The principal roles included in the procurement process are set out in the table below, along with their responsibilities. Whilst activities may be delegated, the person in each role remains accountable for compliance with this policy.

Role	Responsibility	Comments
Originating Officer	The Originator is the nominated contact who understands the business and / or technical need and can develop the technical specification or statement of work	
Requesting Officer	The Requester enters the purchase requirement in the P2P system, attaching requirements and justifications where appropriate	The Requester and Originator can be the same person
Receiving Officer	The Receiver is responsible for accepting the goods and / or services received from the supplier, checking that it meets the standards set in the original requirement	The Receiver can be the same person as the Originator
Procurement Advisor	The role of the Procurement Advisor is to control the companies spend by negotiating and agreeing purchasing agreements with robust legal and commercial terms	The Procurement Advisor cannot be a Requester and Receiver of goods and / or services or authoriser
Authoriser Officer	The Authoriser is accountable for approving purchases made in accordance with Section 7.3 (b)	The Authoriser must not authorise where they are the Originator or Requester of the goods and/or services

8.9 Exceptions to the Contracts Procedure Rules

In certain circumstances, an Officer may require an exception to one or more of the CPR's/CPRs in order to award a contract. Exceptions are reserved for exceptional circumstances and can only be granted where good reasons can be sufficiently evidenced. Lack of planning or convenience will not be acceptable as grounds for requesting an exception to the rules (As stated in UK the Public Contract Regulations 2015). Before any exception is sought the requesting Officer must ensure the budget allocation for the exception is in place should the exception be granted. Exceptions can also be granted in relation to the tendering of Concession Contracts up to the relative OJEU Threshold.

8.10 Exception Request Approval Process for each Procurement Threshold

	Total Contract Value (excl. VAT)	Exception Approval Process
Low Minor Value	£1 to £49,999.99	Officers must request Exception approval by email to the Group Manager of Procurement <u>Not required as long as best value is ascertained.</u>
Medium Contract	£510,000 to £24,999.99	Officers must request <u>complete a Tender/Procedural Exception approval by email Request Form and submit to the Group Manager of Procurement for approval</u>
Major (a)	Threshold (a) £25,000 to £74,999.99	Officers must request <u>complete a Tender/Procedural Exception approval by email from their Head of Service Request Form and submit to the Group Manager of Procurement and their Director for approval</u>
Major (b)	Threshold (b) £75,000 to 172,513,181,301.99 (or £615,278 or £4,551,413 for those contracts detailed below)	Officers must complete a Tender/Procedural Exception Request Form and submit to both their Head of Service Director and the Group Manager of Procurement for approval. Please see Appendices A and B for further details.
OJEU	£172,514 (£625k Social Care) (£4.322M Works) £181,302 and over unless (a) social care, health and education £615,278 and over (b) works and concession contracts £4,551,413 and over	Officers must seek cabinet approval [Note it is not lawful to avoid compliance with the UK Public Contract Regulations 2015 - advice must be obtained from the Group Manager of Procurement]

Any Exception request made against any of the CPR's/CPRs must be sought in advance of any contractual agreement. Exception requests cannot be made or granted retrospectively.

An Exception relating to the publishing of an advert for any Contract Opportunity over £25,000 (as detailed in EU Procurement Regulations) will only normally be permitted in relation to the areas of procurement detailed in **Exemptions Section 2.2**.

It is not lawful for Officers or members to avoid compliance with the UK ~~The Public Contract~~ Contracts Regulations 2015 or the Concession Contracts Regulations 2016. Therefore, approval of any Exception Requests equal to or over the relevant EU ~~OJEU~~ OJEU Threshold is not permitted without advice being obtained from the Group Manager of Procurement and before seeking to apply any such exceptions.

All Exception requests to these Rules will be reported to the ~~Audit Committee~~ Corporate Management Team (CMT) on a ~~bi-annual~~ quarterly basis.

~~Note the Procurement Review Board~~ CMT is not involved in approval of exceptions, but will undertake a strategic role in scrutinising and monitoring procurement activity. ~~Where the Corporate Procurement Team believe it to be prudent, an exception will be referred to Internal Audit for further action.~~

See **Appendix A** for further details on the exceptions request process

8.11 Emergencies

In the case of unforeseeable emergencies which represent or without action would result in

- Immediate danger to life or health
- Serious damage to property
- Any other circumstance where the consequences of which would be equal to or greater than those above

Services, supplies and works can be procured by Designated Officers in such emergencies where the Total Contract Value is below £75,000. The emergency circumstances must require the Council to respond immediately to events ~~that~~which are beyond the genuine control of the Council. This includes but is not limited to natural or manmade disasters such as flooding, fires, or civil unrest. Any Emergency procurement must be reported to the Group Manager of Procurement, by the Officer who put in place the emergency procurement as soon as practically possible and within 72 hours.

Any such Contract entered into on this emergency basis by the Council must not be for a term of more than 4 weeks during which time the Council must approve any further contracts required on an urgent basis via the Tender Exception Request if required.

Please note that the ~~CPR's~~CPRs allow for both "immediate" and "urgent" action to be taken by the Council under separate and differing circumstances and approvals. The immediate action permissible under an emergency situation by designated Officers of the Council is detailed above. The "urgent" action is addressed under the **Exception Process 8.9 (Exceptions to the Contracts Procedure Rules)**.

Section 8.11 constitutes the same means for Emergency and Urgent Expenditure (SO46) as detailed in the Financial Procedure Rules.

9 Contract Management

For a contract classified as a Major Contract or an OJEU Contract within **Section 10**, Deputy Chief Executives, Directors, Heads of Service and Procurement Advisors must ensure during the life of the contract that the Council's approved processes for contract management are adhered to as set out below -

9.1 Definition and Scope of Contract Management Activities within the Council

Contract management is the active management of the relationship between the Council and a Supplier over the term of the contract for the provision of services, supplies and works to a set of agreed standards. Contract management should also be proportionate to the value, duration, risk and complexity of the contract. Simple purchase contracts (i.e. an item of office furniture) will usually only require inspection on receipt and payment of the invoice whilst for complex or high value contracts it may be necessary to appoint a full-time Contract Manager or team and develop a contract management plan.

The following are the Council's key Contract Management principles and are also set out within the Corporate Contract Management Framework as developed by Corporate Procurement.

Principle	Meaning of the Principle
Proportionate	Invest more time and resource to high value, high risk and complex contracts than low value, low risk and low complexity contracts
Ensure the Council is getting what it pays for	Understand fully the specification, the contract terms and conditions, changes via clarifications and the promises made by the contractor in their tender submission
Continuous Improvement and Risk reduction	Robust contract management plans ensure that risks are evaluated and mitigated, that performance and customer feedback is sought. Resulting action plans are then agreed, monitored and implemented
Resolution of poor performance and disputes	Problems are tackled at the earliest opportunity in a collaborative way but utilising the agreed terms and conditions as set out in the contract
Contractual changes, variations and extensions are documented	All contractual changes are within the law, are documented, signed in line with the contract terms and conditions and are stored securely
Strong supplier relationships	Relationships are peer-to-peer and therefore deliver a win-win position. This ensures best value, innovation and long-term investment from both parties
Exit planning	Asset registers are maintained, intellectual property rights considered, accounts are reconciled and loans/performance bonds/guarantees are finalised
Future planning	Post-contract reports are compiled so as to document the lessons learnt which can be implemented in future tenders

In particular, the contract management procedures ensure contract compliance, performance management, continuous improvement and value for money is achieved.

Corporate Deputy Chief Executives and Directors and Heads of Service shall ensure:

- They identify where contracts within their departments require contract management activities and assign Contract Managers to them for the duration of their contract life
- Develop job descriptions, set annual performance objectives and identify training requirements for their Contract Managers
- Their contract managers are aware and follow the procedures set out in the CPR's CPRs and the Procurement Toolkit

- Agree with the Group Manager of Procurement and Head of Audit a proactive plan to review performance

Each Contract Manager will

- Manage the contract and ensure day to day activities are carried out in accordance with its terms and conditions
- Monitor the supplier's performance (in accordance with performance indicators and service level agreements)
- Make the contractor aware what Council policies they are expected to comply with
- Undertake appropriate risk assessments and maintain up to date risk registers throughout the duration of the contract period (This should be aligned to the Corporate Risk Policy)
- Agree any minor changes to the contract (excluding terms, conditions or pricing) via a change request procedure and notify their Procurement Advisor
- Liaise with their assigned procurement advisor when considering any proposed variations or extensions to a contract
- Identify, escalate and manage any non-conformance with suppliers
- Keep a record of all valuations, payments, claims, monitoring, changes and certificates under the contract
- Set up regular ~~review-performance-review~~contract meetings with suppliers to review performance and compliance against the contract

Procurement Advisors will, in collaboration with the Contract Manager(s):

- Attend regular ~~review-performance-review~~contract meetings with suppliers to review performance and compliance against the contract
- Assist in managing any contractual issues raised by either the contract manager or supplier
- Assist in ~~manage contractually,~~managing any non-conformance identified by the contract manager or supplier
- Manage~~Review~~ any proposed contract variations and/or extensions-
- Ensure that key contract documentation is retained on file as set out in section 7.6

9.2 Variations to Contract

Where a contract allows for variations through its clauses or in instances where a contract has no formal variation process, the Council and the Supplier can mutually agree variations in writing. Officers should consult with their nominated Procurement Advisor to make the necessary variations to the contract – subject to 9.3 and compliance with the Financial Procedure Rules. Any contract which was let with a value above its respective OJEU Threshold must only be varied / modified in accordance of The Public Contracts Regulations 2015 Clause 72 (Modification of contracts during their term).

9.3 Approval of Variations by Chief Officers

Total Contract Value (excl. VAT)	Variation Approval Process
Up to £100,000	Chief Officers in consultation with the Group Manager of Procurement

Over £100,000	Chief Officers in consultation with the Group Manager of Procurement and the relevant Executive Councillor (such consultation being recorded in writing using the S O 46 procedure)
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9.4 The Contract Manager for the Council must ensure the following for each contract which is varied:

- Any variation is only agreed after budget approval has been granted
- Any variation agreed is demonstrably in the best interests of the Council
- Any variation does not bring about a material change to the scope of the Contract
- Both the individual cost of a variation and its cumulative cost when added to the total cost of all other variations (on the same contract) must be less than 50% of the original contract value (this is in line with the Public Contract Regulations 2015, Regulation 72)
- Both the individual cost of a variation and its cumulative cost when added to the total cost of all other variations (on the same contract) must not exceed the relevant EUOJEU threshold for the original contract To ensure that variations are within the CPR parameters all contract managers must work in partnership with the relevant procurement advisor to conclude any contract variation

9.5 Extensions to Contracts

Where the contract clauses allow for an extension to contract, the Council and the Supplier can mutually agree such extensions. Officers must consult with their nominated Procurement Advisor to make the necessary Extensions to a contract where the contract extension

- has received budgetary approval
- does not vary the scope of the original contract
- is of commercial benefit to the Council

For contracts that do not have any clauses to extend the contract, Officers should request an Exception as part of the Exceptions to the CPR's CPRs

Under no circumstances must the contract extension period be longer in duration than the original contract period

9.6 Approval of Extensions to Contracts

Approval of Contract Extensions (where Contract clauses allow for an extension)	
Directors <u>Deputy Chief Executives</u>	Contract with a value over £500k
Authorised Officers	Head of Service <u>Director</u> - contract with a value up to £500k Group Manager- contract with a value up to £75k Business Unit Manager- contract with a value up to £25k Line Manager- contract with a value up to £10k
Head Teachers and their Authorised Officers	In accordance with the delegated powers stipulated by the relevant Board of Governors

10 Glossary of Terms

For the purpose of these Rules the following terms have the meanings as set out below

Term	Meaning of Term
Annual Procurement Plan	The Annual Procurement Plan which sets out the approach to the procurement of contracts that exceed a lifetime value of £74,999 99
Approved Suppliers	Suppliers who are on the Council's approved supplier database which is managed jointly between the Corporate Procurement Team and Finance Prior to entering the suppliers onto the database, they must pass assessment criteria
Authorising Officer	P2P role- the Authoriser is accountable for approving purchases made in accordance with the Council's scheme of delegation
Capital	Capital expenditure involves acquiring or enhancing fixed assets with a long-term value to the authority, such as land, buildings, and major items of plant, equipment or vehicles
Capital Programme	The programme of Capital expenditure agreed by Cabinet
Chief Officer	The Chief Executive and Town Clerk, a Deputy Chief Executive, Director, Head of Service, relevant School Governing Body or Head Teacher
CIPS	Chartered Institute of Purchasing and Supply
Corporate Risk Policy	Corporate Approach to Risk Management – the Risk Management tool kit is available on the Intranet http //seattle/Pages/Compliance.aspx
Concession contracts	<u>A concession agreement is a negotiated contract between a company and a local authority that gives the company the right to operate a specific business within the Council's jurisdiction, subject to certain conditions. This often differs from other Council contracts in the fact that the Council may not provide revenue funding and so the levels of risk in relation to the investment of a company is substantially greater and manages the service through the income generated. These contracts allow for negotiations and as such use of the competitive procedure with negotiation will allow business areas to formally evaluate bids, select the successful bidder following an open, fair and transparent procedure and then allow negotiation with the successful bidder before any contract is formally signed.</u>
Contracts Finder	Online government database detailing procurement opportunities in the Public Sector
Contract Management	Contract management is the active management of the relationship between the Council and the Supplier over the term of the contract for the provision of services, supplies and works to a set of agreed standards
Contract Managers	Manage the contract and ensure day to day activities are carried out in accordance with its terms and conditions Full duties are detailed in Section 9 of the GPR/CPRs
Contracts Procedure Rules (GPR's/CPRs)	This document setting out the principles of procurement, roles and responsibilities, contract procedure rules and processes involved in purchasing services, supplies and works contracts
Contract Register	A register of Council contracts that exceed £74,999 held by the Corporate Procurement Team and published on the Council's e-Procurement system
Contract Value	The Estimate estimated total monetary value of a contract over its full duration (N B not the annual value) Where the duration of a contract

	is indeterminate, this will be taken to be the estimated value of the contract over a period of four years
Council	Southend-on-Sea Borough Council
Corporate Procurement Team (CPT)	Central team responsible to managing corporate procurements, maintaining procurement standards and controls, and providing advice and guidance to directorates and designated procurement advisors
Data Protection Act	<u>Data Protection Act controls how personal information is used by organisations, businesses or the government</u>
Designated Procurement Advisors	Officers appointed by Chief Officers in consultation with the Group Manager of Procurement to undertake procurement activities in accordance with the CPR
Data Protection Act Designated Procurement Officers	Data Protection Act controls how personal information is used by organisations, businesses or the government <u>These are officers within service areas across the Council that manage and oversee contracts and would liaise with the Corporate Procurement Team when re-tendering or procuring new contracts</u>
Term Dynamic Purchasing System (DPS)	Meaning of Term <u>A completely electronic system used by a Contracting Authority (buyer) to purchase commonly used goods, works or services Unlike a traditional framework, suppliers can apply to join at any time</u>
e-Procurement	A system for the end to end tendering process, both suppliers and buyers submit and respond to tenders electronically removing the need for paper submissions
Equalities Act	Protects individual <u>individuals</u> from various forms of discrimination and harassment relating to disability, age, gender, religion / belief and sexuality
EU Procurement Regulations	EU Procurement Rules that apply to public authorities as defined by the UK Public Contracts Regulations 2015
Freedom of Information Act	Freedom of Information Act 2000 is an act defining the ways in which the public may obtain access to government-held information
Framework Agreement	An agreement with suppliers which sets out terms and conditions under which specific purchases can be made throughout the term of the agreement and which has been tendered in accordance with EC directives
Lead Role	Is accountable for ensuring they follow the procurement process as stated in the Contract Procedure Rules Section 2 0 page 3
Low Value	Total Contract Value (excluding VAT) £1 to £1,000,999 99
Major Contract Threshold (a)	Total Contract Value (excluding VAT) £25,000 to £74,999 99
Major Contract Threshold (b)	Total Contract Value (excluding VAT) £74,999,000 to £172,514,181,301 99
MEAT – most economically advantageous tender MEAT	Most Economically Advantageous Tender – evaluated on the basis of quality and price – normally encompassing whole life costs
Medium Contract	Total Contract Value (excluding VAT) £510,000 to £24,999
Member	An elected member of the Council
Minor Contract	Total Contract Value (excluding VAT) £1,001,000 to £49,999 99
OJEU Contract	All Contracts Value (excluding VAT) of £172,514,181,302 and over except

	(a) Social Care, Health and Education where value is £625k615,278 and over (b) Works/ <u>Concession contracts</u> where value is £4-322M,551,413 and over
Originating Officer	P2P role the Originator is the nominated contact who understands the business and/or technical need and can develop the technical specification or statement of work
Payment without Purchase Order form	Authorisation form for agreement for procurement without the prior need to raise a purchase order (available on the intranet under procurement pages)
<u>Pilot contract</u>	<u>This is a short-term contract which is put into place to market test a potential longer-term service provision Pilot contracts still need to be procured in line with the CPR thresholds and the PCR 2015 regulations</u>
Procurement Card	Corporate Credit Card used for low value procurements
Procurement Thresholds	Controls and process required to undertake a procurement, defined by the value of spend (whole life cost)
Procurement Review Board	Composed of the Group Manager Procurement, Head of Finance & Resources, a representative of Audit and Corporate Directors Role and function are defined in section 5-6 of these Contracts Procurement Rules <u>This will be transitioning to a Strategic Commissioning Group in the summer of 2018 and in the interim quarterly reports will be issued to the Corporate Management Team</u>
Procurement Toolkit	Procedural guide detailing the application of these rules
Purchase to Pay (P2P)	A system to enter purchasing requirements, manage authorisation, confirm receipt of goods and make payments to suppliers
Term	Meaning of Term
Receiving Officer	P2P Role receiver is responsible for accepting the goods and/or services received from the supplier, checking -that it meets the standards set in the original requirement
Requesting Officer	P2P Role requester enters the purchase requirement in the P2P system, attaching requirements and justifications where appropriate
SME	Small to Medium Enterprise – fewer than 250 employees, and annual turnover not exceeding approximately £4050 million
SO46	Standing Order within Part 4 (a) of the constitution detailing <u>the</u> process for urgent action
Social Value Act	Act places a requirement on procurers to consider the economic, environmental and social benefits <u>Please refer to the Corporate Social Value policy and toolkit</u>
Soft Market Testing	Analysis of the market prior to formal tender
Suppliers	Contractors supplying goods, services or works to the Council
Sustainable Procurement Policy	The corporate policy emphasises the importance of socially responsible procurement, assessing whole life costs and social, environmental and economic impact

Exceptions from Tendering Requirements in the Contracts Procedure Rules (CPR's/CPRs) (sections 8.9 and 8.10)

The following exceptions from tendering requirements may be applied following the prior approval Tender Exception Request Form

The Exceptions from having to Tender are

- 1 For the purchase of supplies, works or services which is prevented by Legislation
- 2 If the supply of goods or materials to be acquired constitutes an extension of an existing supply contract The extension can only be granted if all the following criteria are met
 - The increase to the quantity of goods and materials was not envisaged at the time the original contract was awarded
 - The extension is based upon comparable terms and conditions as the original contract
 - The extension has a value less than 50% total value than the original contract requirement
 - The extension does not breach the threshold of the EU Regulations
- 3 For the execution of works or provision of services where the proposed contract outlined in the Exception Request is required due to unforeseen technical or economic reasons and is directly linked to the continuation and success of an existing contract The existing contract itself must have been awarded competitively in accordance with CPR's/the CPRs
 - If the proposed contract is to be undertaken by the Contractor named in the existing contract, terms of the proposed contract must be negotiated on the basis of the rates and prices contained in the existing contract, or
 - If a new Contractor has been sought then the Exception Request must be accompanied with evidence outlining the steps taken to ensure best value for the Council

This Exception does not cover works and services carried out under annual contracts or values for proposed contracts that are greater than the relevant EU Threshold

- 4 Where it is considered the execution of ~~work~~works or the supply of either goods or services is required so urgently so as not to permit the invitation of tenders Any request for an ~~exemption~~exception under this clause must be based upon circumstances brought about by ~~circumstances that~~which could not have been reasonably foreseen Exceptions cannot be granted under this clause where a lack of foresight has given rise to difficulties
- 5 In circumstances where a contract does not contain an option for an extension but where an extension is required to facilitate a full and compliant tender exercise for operational reasons An extension can only be granted under this clause if
 - The initial contract itself was awarded as part of a competitive procurement process under the CPR's/CPRs
 - The terms under which the extension is agreed must be equal to the existing contract in relation to the Scope, the Pricing and the Terms and Conditions-

The actual length of any extension granted under this clause is at the discretion of the Group Manager of Procurement but cannot be more than 12 months in duration and cannot be longer than the initial contract itself Only in circumstances ~~where~~where delays in publicised changes to legislation would make procurement impractical can multiple extensions be granted in relation to a single contract In all other cases this ~~exemption~~exception may only be used once per contract

Tender Opening Procedures

1 Opening of Tenders received via E-Procurement

Where the Council uses an electronic tendering system that releases submissions for opening at a predetermined date and time then pre-qualification questionnaires (PQQ or equivalent) and tenders submitted through that system may be accessed and opened by a member of the Corporate Procurement Team through that system.

Where a member of the Corporate Procurement Team is authorised to release any of the documents detailed above that officer must not have been a part of the project team charged with the delivery of that procurement or any part thereof.

For the avoidance of doubt PQQ and Tender Documents, as well as all other supporting information must not be opened before the stipulated deadline for submission has passed. This is the case both for submissions received by the Council via any e-procurement system and any received in hard copy.

2 Opening of Tenders received in hard copy

2.1 Outline of Responsibilities

No officer involved in any way with the drawing up of the specification and the tender documents may participate in the receipt of the tender, in its custody pending opening or in the tender opening process.

All tenders shall be returned to the Customer Service Centre on the Ground Floor of the Civic Centre or the Post Room of the Civic Centre where they will be receipted and annotated with the date and time of receipt by the staff at either location, who will then contact the correct team to organise collection. The individual within the Corporate Procurement Team charged with collection of the Tenders must ensure that all items to be collected are stamped and the time of delivery clearly marked.

All Tenders should

- Bear the corporate reply label or addressed to Southend-on-Sea Borough Council Customer Services Centre.
- Be sealed and marked "Tender".
- Be annotated with the subject to which the tender relates, and
- Not indicate the identity of the sender.

2.2 Opening of Hard Copy Tenders

Tenders must be opened in a secure and confidential environment, with openers being undistracted.

Forms used as tender opening records must be prescribed or approved by a Senior Procurement Advisor.

Each of the following must be stamped and initialed by both designated openers.

- Any cover letter bearing a signature
- Any other page bearing a signature that is not certification of any kind pertaining to insurance, quality assurance, health and safety and so on
- Any page bearing a cost that may be applied to the resulting contract(s)
- All Tender Forms including Contract Variation, Bona fide Tender, Tender Form and Freedom of Information

Date stamping and initialed priced pages of tender documents is an important authentication if correction of errors is to be admitted according to Council's Financial Procedure Rules.

The opening of tenders and recording of their details shall be subject to the following regulations

- They must not be opened before the deadline for submission stipulated in the tender documents.
- They must be opened at one time by not less than two persons (one of whom would be from the Corporate Procurement Team) designated for the purpose by the appropriate Deputy Chief Executive or Corporate Director.
- No Officer or Member of the Council may be present at the opening of tenders if they have a material interest in relation to the subject or result of the tender. Factors that can be suggestive of a material interest and would preclude attendance at a tender opening include, but are not limited to a connection to a possible tenderer through family, friends or other business associates.

Additionally any corrective amendments by tenderers to their tender prices must be initialled by both designated openers and annotated in the tender opening record

3 Late Tenders (either Electronic or Hardcopy Tenders)

Any tender received by the Council after the relevant deadline for submission has passed will not be evaluated by the Council. For the avoidance of doubt, once the deadline has passed, any tender delivered later than the deadline (regardless of its proximity to the deadline) must not be included in the evaluation process.

Only in instances where due to unforeseen circumstances a pre confirmed extension to a deadline has been made available to all Tenderers, can submissions be accepted after the deadline stipulated in the tender documents. Any such extension cannot be granted for the benefit of a single tenderer. The granted extension must be fully justifiable and meet the full challenge of any audit of the process. The closer to the deadline that an extension is granted the stronger the justification will be required to be. Any revised deadline stipulated as part of an agreed extension will itself be subject to the same level of finality detailed in the paragraph above and any tender received by the Council after the revised deadline for submission has passed will not be evaluated by the Council.

The entire process of opening late tenders is detailed in the Procurement Toolkit. However, late tenders must not be opened before electronic, scanned or photographic evidence confirming their lateness has been forwarded to the Group Manager of Procurement. Only after the written approval to open the late tender has been provided by the Group Manager of Procurement can that tender be opened by a Procurement Advisor with no connection to the Tender Process in question. The opening of any Late Tender (Hardcopy) must be documented using a Late Tender Form. Both evidence of approval to open a late tender and the accompanying Late Tender Form must be saved in the corresponding Tender Project File.

4 Alterations / Corrections to either Electronic or Hardcopy Tenders

The Tenderer may not amend or request amendment to their tender after the date and time fixed for the receipt of tenders.

However, if the Council encounters an error in a tender consisting of incomplete or incorrect information then the Council may at its discretion request the Tenderer concerned to submit, supplement, clarify or complete the relevant information or documentation within an appropriate time limit, provided that such requests are made in full compliance with the principles of equal treatment and transparency.

In determining whether such an error has been made in relation to a received tender submission Council Officers must assess this in direct relation to the information contained in that submission or to the tender documentation issued by the Council. The error relating to the specific tender must be clear, self-evident and obvious. Under no circumstances will an issue shown up as a result of cross referencing against any other tender submission be accepted as such an error.

All action undertaken in relation to seeking alteration or correction information must be based on an unbiased and objective assessment of the entire tender process it is being applied to. The action itself must be taken in a manner that treats all participating tenderers fairly. Any communication issued in relation to the action must ensure the validity and effectiveness of the procurement.

Key factors in assessing if alteration or correction information will be sought in relation to an error accepted by the Council will include but not be limited to

- Number of Tenders returned in relation to the project
- If any of the other Tenderers made the same error
- If other Tenderers did make the same error what proportion of the overall returns does this represent
- Clarity of the information issued by the Council
- If the error is a complete omission of required information
- Is it possible to request clarification on an issue from all of the competing Tenderers involved without unfairly disadvantaging any of those Tenderers
- Is the justification relating to the clarifying of an issue by all Tenderers in the process able to withstand audit scrutiny, challenge by a Tenderer and lead to a more robust evaluation
- The strict time period in which the Tenderer will be required to respond

Subjective information including the identity of the company or stakeholder preference must not be used as a basis to seek alteration or correction information

Under no circumstance must any Council Officer use this clause to unfairly assist a tenderer to gain a more favourable tender score at the expense of the other competing tenderers or the Council's good reputation

Corporate Procurement must maintain a record / audit trail of any action taken and justification for that action taken in relation to errors found in any tender

5 Training

It is the responsibility of the Deputy Chief Executive or Corporate Director of each department or establishment involved in the tendering process to ensure that all relevant members of staff are trained in the correct procedures, and issued with the Contract Procedure Rules and the Tender Opening Procedure guidance available

The Corporate Procurement Team will support Council officers by providing training, advice, and any necessary templates to enable them to understand and adhere to the CPRs and tender effectively

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