

Public Document Pack



TRAFFORD COUNCIL

Friday, 26 August 2016

Trafford Town Hall
Talbot Road
Stretford
M32 0TH

Dear Councillor,

Your attendance is requested at a meeting of the Council of the Borough of Trafford on **TUESDAY, 6 SEPTEMBER 2016**, at **7.00 PM** in the **COUNCIL CHAMBER, TRAFFORD TOWN HALL, TALBOT ROAD, STRETFORD**, for the transaction of the business set out below:

	Pages
1. Minutes	
To approve as a correct record the Minutes of the Meeting of the Council held on 27 July 2016 for signature by the Mayor as Chairman.	1 - 14
2. Announcements	
To receive any announcements from the Mayor, Leader of the Council, Members of the Executive, Chairmen of Scrutiny Committees and the Head of Paid Service.	
3. Questions By Members	
This is an opportunity for Members of Council to ask the Mayor, Members of the Executive or the Chairman of any Committee or Sub-Committee a question on notice under Procedure Rule 10.2.	
4. Annual Accounts and Audit Report 2015/16	
To note a report of the 2015/16 Chairman and Vice-Chairman of the Accounts and Audit Committee.	15 - 32
5. Contract Procedure Rules Revisions	
To consider the attached report of the Director of Procurement.	33 - 76

6. Annual Scrutiny Report 2015/16

To receive the Annual Scrutiny Report from the Chairmen of the Scrutiny Committee and the Health Scrutiny Committee.

77 - 82

7. Motions

To consider the following motion submitted in accordance with Procedure Rule 11:

(a) Motion Submitted by the Conservative Group - Positive outcomes for children and young people in Trafford

In 2015, Children's Services were independently inspected by Ofsted as the joint highest performing in the country, in particular services for children leaving care. The Council has received more recent external recognition including:

- The Education Policy Institute, in its inquiry, has graded Trafford one of only five local authorities with 'good' in all categories for Children's & Adolescent Mental Health Services and future transformation plans;
- Recognition from the Family and Childcare Trust who have awarded our Family Information Service the Families First Quality Award with additional SEND standards.

Whilst we must not rest on our laurels, the Council welcomes this recognition as further evidence of its efforts to support the most vulnerable young people and is committed to ensuring all children and young people are able to get off to the best and right start in life.

Further, the whole Council wishes to place on record its sincere congratulations to pupils, teachers, support staff and governors all of whom are yet again able to celebrate fantastic achievements in this summers A-Level and GCSE examinations.

The Council wishes the very best to all of our young people as they embark on the next stage in their lives.

Yours sincerely,



THERESA GRANT
Chief Executive

Council - Tuesday, 6 September 2016

Membership of the Council

Councillors J. Lloyd (Mayor), J. Coupe (Deputy Mayor), D. Acton, S. Adshead, S.B. Anstee, S.K. Anstee, Dr. K. Barclay, J. Baugh, J. Bennett, Miss L. Blackburn, R. Bowker, C. Boyes, Mrs. A. Bruer-Morris, Mrs. J.E. Brophy, B. Brotherton, D. Bunting, D. Butt, K. Carter, M. Cawdrey, R. Chilton, M. Cordingley, M. Cornes, L. Dagnall, Mrs. P. Dixon, A. Duffield, Mrs. L. Evans, N. Evans, T. Fishwick, M. Freeman, P. Gratrix, Mrs. D.L. Haddad, J. Harding, J. Holden, D. Hopps, M. Hyman, C. Hynes, D. Jarman, P. Lally, J. Lamb, E. Malik, A. Mitchell, P. Myers, D. O'Sullivan, K. Procter, J.R. Reilly, Mrs J. Reilly, B. Rigby, T. Ross, M. Sephton, B. Sharp, B. Shaw, J. Smith, E.W. Stennett, S. Taylor, L. Walsh, Mrs. V. Ward, A. Western, D. Western, M. Whetton, A. Williams, J.A. Wright, M. Young and Mrs. P. Young

Further Information

For help, advice and information about this meeting please contact:

Ian Cockill, Senior Democratic & Scrutiny Officer

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This Summons was issued on **Friday, 26 August 2016** by the Legal and Democratic Services Section, Trafford Council, Trafford Town Hall, Talbot Road, Stretford M32 0TH

Any person wishing to photograph, film or audio-record a public meeting is requested to inform Democratic Services in order that necessary arrangements can be made for the meeting.

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TRAFFORD BOROUGH COUNCIL

27 JULY 2016

PRESENT

The Worshipful the Mayor (Councillor Mrs. Judith Ann Lloyd), in the Chair.

J. Coupe	M. Cordingley	P. Myers
D. Acton	L. Dagnall	D. O'Sullivan
S. Adshead	Mrs. P. Dixon	J.R. Reilly
S.B. Anstee	A. Duffield	Mrs J. Reilly
S.K. Anstee	Mrs. L. Evans	B. Rigby
Dr. K. Barclay	N. Evans	M. Sephton
J. Baugh	T. Fishwick	B. Sharp
J. Bennett	M. Freeman	B. Shaw
R. Bowker	P. Gratrix	J. Smith
C. Boyes	Mrs. D.L. Haddad	E.W. Stennett
Mrs. A. Bruer-Morris	J. Harding	S. Taylor
Mrs. J.E. Brophy	J. Holden	Mrs. V. Ward
B. Brotherton	D. Hopps	A. Western
D. Bunting	M. Hyman	D. Western
D. Butt	P. Lally	M. Whetton
K. Carter	J. Lamb	A. Williams
M. Cawdrey	E. Malik	J.A. Wright
R. Chilton	A. Mitchell	M. Young

In attendance

Deputy Chief Executive and Corporate Director Economic Growth, Environment and Infrastructure	Mrs. H. Jones
Corporate Director Transformation and Resources	Ms. J. Hyde
Chief Finance Officer	Ms. N. Bishop
Director of Human Resources	Ms. L. Hooley
Interim Head of Legal Services	Mr. M. Jones
Democratic and Performance Services Manager	Mr. P. Forrester
Interim Public Relations Manager	Mr. M. McAdam
Senior Democratic and Scrutiny Officer	Mr. I. Cockill

APOLOGIES

Apologies for absence were received from Councillors Miss L. Blackburn, M. Cornes, C. Hynes, D. Jarman, K. Procter, T. Ross, L. Walsh and Mrs. P. Young.

16. MINUTES

That the Minutes of the Annual Meeting of the Council held on 25 May 2016, be approved as a correct record and signed by the Chairman.

**Meeting of the Council
27 July 2016**

17. ANNOUNCEMENTS

(a) Tributes

With regret, the Mayor referred to the tragic death of Jo Cox, MP after being attacked in her West Yorkshire constituency the previous month. The Mayor also expressed sadness over the recent terrorist incidents around the world. The Council stood for a moments silence to formally pay it respects to Mrs. Cox and the victims of violent attacks.

(b) Her Majesty the Queen's Birthday Honours

The Council joined the Mayor in congratulating Mrs. Jacqueline Anne Granger Brown of Altrincham, Chair of Altrincham Fundraising Committee for the Children's Society, who was awarded the citation of Officer of the Most Excellent Order of the British Empire (OBE) for services to Children.

(c) Awards

The Mayor was pleased to announce that the Council had been highly commended in the Local Authority of the Year and Senior Leadership Team categories at the Municipal Journal Awards on 16 June 2016.

On the same night at another awards ceremony, Trafford Council was also announced joint winner of the NHS Health Education England Learning Together in Health and Social Care Projects Award for its innovative integrated working project called i-Care. The award recognised the bold and ambitious journey the authority had taken to re-shape itself and change the way its people work, including how it operated with key partners from the NHS and other agencies.

(d) Her Majesty the Queen's Award for Voluntary Service

The Mayor also congratulated the Loose Change Buskers from Altrincham who were amongst the recipients of a Queens Award for Voluntary Service having raised a large amount of money for cancer charities by busking. The Mayor hoped Members and officers would get to hear them play as she had invited them to perform in the Crush Hall before the next Council meeting.

(e) Single Hospital Service

Councillor Williams, Executive Member for Adult Social Services and Community Wellbeing provided the Council with an update on the Single Hospital Service Review and the report of Sir Jonathan Michael, Independent Review Director considered by the Health and Wellbeing Board on 16 July 2016 which had concluded that a single hospital in the City of Manchester should be pursued.

The proposal would mean enormous organisational change, one of the largest of its kind within the NHS, with the creation of a new single NHS Trust that would take responsibility for the services and assets currently provided by Central Manchester University Hospitals NHS Foundation Trust, the University Hospital of

**Meeting of the Council
27 July 2016**

South Manchester NHS Foundation Trust and the Pennine Acute Trust from North Manchester General Hospital.

Throughout the review, the Council had fully engaged and provided direct input, with the Trafford Health and Wellbeing Board and Health Scrutiny Committee being updated on developments. As things move forward, the Leader of the Council and Executive Member have offered Council support to the hospital trusts and the Executive Member would undertake to provide updates to Members and partners on developments.

(f) Health Scrutiny Committee Update

Councillor Harding, Chairman of Health Scrutiny Committee advised the Council that following its first meeting of the municipal year, End of Life Care, Homecare and Young People's Wellbeing within Trafford had been included in the Health Scrutiny work programme. In addition, a special meeting would be scheduled to discuss the Single Hospital Service Review once more information became available. The Committee would also examine proposals for the urgent care centre at Trafford General and the Chairman would update Council accordingly.

18. QUESTIONS BY MEMBERS

The Mayor reported that 6 questions had been received under Procedure Rule 10.2.

(a) Councillor Bennett asked the following question for which she had given notice:

“Can the Executive Member please explain the extremely poor performance of the Special Educational Needs and Disability (SEND) section within the Children, Families and Wellbeing Directorate. This is evidenced by the fact that, by the Statutory deadline of 15 February 2016, only 30% of Education, Health and Care Plans (EHCPs) for children transitioning from primary to secondary school had been completed (this equates to 32 out of 107 children).

For teenagers transitioning to Adult Services and further education from Children's Services in September 2016 and who require an EHCP, none had been completed by the Statutory deadline of 31 March (0 out of 144). Can the Executive Member explain why this has happened, particularly when the Council prides itself on being a Champion Pathfinder Council for the Children and Families Act 2014?”

Councillor Hyman, Executive Member for Children's Services acknowledged that the question raised an important matter and provided a full response covering all the significant points.

Although it was disappointing that not all year 6 pupils had their plans completed by the statutory deadline it was by no means just a Trafford issue. The Department for Education (DfE) was made aware of the delays in issuing final

Meeting of the Council 27 July 2016

ECH Plans and as a result of their guidance a letter was sent to parents and guardians of Year 6 pupils stating the special school or mainstream secondary school that Trafford was proposing to name in the EHC Plan to help parents plan for their child's transfer to secondary school.

In addition to the Year 6 and Year 11 transfers the Team also had to undertake, for the first time, Year 2 EHC assessments and plans for pupils leaving an infant school at key stage 1 to go to a junior school. Also for the first time Year 9 pupils were transferred from statements to ECH Plans. The volume of new work, however, was not the only reason for delays.

The EHC assessment and transfer process was still in the implementation stage and as such processes were continually being refined as a result of feedback from parents and DfE guidance. As a result of the changes and the imperative to involve children and their families in the co-production of Plans the EHC Co-ordinator role had changed significantly. The EHC Team experienced a shortage of experienced staff and carried several vacancies during the spring term which was a critical time for meeting the statutory deadlines.

The issues and potential impact were identified and a series of measures were implemented to improve performance through the appointment of a new EHC Manager who started on 1st April. All the vacant posts had now been filled and there would be a full staff team from September 2016.

The Local Area SEND Board, accountable to Trafford's Health and Wellbeing Board, had been established to provide strategic direction and leadership for monitoring and quality assuring the local area's effectiveness in identifying and meeting the needs of children and young people who have special educational needs and/or disabilities.

In respect of teenagers transitioning, there was a national issue for all Local Authorities in completing Year 11 – Year 14 Plans as colleges and other sixth form providers often depend upon a student's GCSE results, their own or other external assessments before offering a place, which was more often than not after the 31 March deadline. As a result the college or 6th form provider could only give a conditional offer but conditional offers could not be named in the Final Plan in line with the statutory guidance. The Council is considering the options, in consultation with providers.

There was also the additional complication of not knowing whether Trafford College was going to be offering Supported Learning provision from September 2016 and as a result, more work was needed with families and young people to look at alternative provision in other further education colleges. The Team also needed to work with Trafford College in identifying which of their existing learners would need to move to other provision as the College were not offering a second year for some students. It is expected that this would not be an issue next year.

Finally, there would also be a small number of young people who were applying for apprenticeships or work based learning provision. Applications to work based

**Meeting of the Council
27 July 2016**

were always later than to colleges and so it was unlikely that a provider could be named by the end of March and the EHC Plan finalised.

In asking a supplementary question, Councillor Bennett commented upon the Council's performance in comparison to other authorities and queried, since management was aware of the issues and, as there was a Council budget underspend for 2015/16, why remedial action was not taken earlier and wondered what the Executive Member felt was more important, the welfare of vulnerable families or the budget?

Councillor Hyman indicated that he had attempted to provide a full and detailed response to the initial question and that as he had mentioned, measures had been taken so that hopefully this would not happen again in the future.

(b) Councillor Duffield asked the following question for which she had given notice:

"How many prosecutions have there been for fly-tipping in Trafford in the last 12 months. Why has the post of Community Engagement Officer been vacant at Amey since the start of the One Trafford Contract?"

Councillor John Reilly, Executive Member for Economic Growth, Environment and Infrastructure responded advising that the Council had not taken any prosecutions for fly-tipping in the last 12 months. There were a range of actions that could be taken, ranging from advice and education through to prosecution in the Magistrates Court. Generally prosecution was reserved for more serious, large scale or commercially linked cases and successful prosecution relied on there being sufficient evidence to identify the perpetrator.

In the last 12 months, 13 £75 Fixed Penalty Notices (FPNs) had been issued, however, recent changes in the law meant that the Council could now issue £200 FPNs. The new £200 FPNs had only been available in the last few weeks and so far 3 had been issued.

In total, 16 FPNs had been issued and many more minor matters had been dealt with by way of warning or advice in line with the Council's effective 'Be Responsible' campaign that was positively promoting environmental awareness and behaviour change across the Borough. Councillor John Reilly reported a 41% reduction in fly-tipping in Clifford Ward for which the Council had received a national award, with another similar award expected.

Councillor Duffield, asked if the Executive Member had a response on the matter of the Community Engagement Officer and he reported that the One Trafford Partnership had attempted to recruit to this position on 3 separate occasions since 2015 with all 3 candidates turning down the offer of the job. A number of alternative ways of delivering this function were being considered with an aim of being in place by September 2016.

**Meeting of the Council
27 July 2016**

- (c) Councillor Andrew Western asked the following question for which he had given notice:

“Could the Executive Member please set out the reasons why this Council was placed on the Freedom of Information (FOI) monitoring list in May 2016; what percentage of FOI's were not responded to on time in the three months prior to May and what the causes of these unacceptable delays were?”

Councillor Williams, Deputy Leader of the Council reported that the Information Commission's Office (ICO) had identified a number of cases not being responded to within the statutory time limit of 20 working days and as a consequence were reviewing the timeliness of responses between 1 May and 31 July 2016. Performance in the period was February 71% within 20 working days, March 71% and April 73%.

The Council received a large number of requests and these had increased year on year, with a large number of requests from businesses for commercial opportunities and others from research companies which were time consuming. The Council had been working to meet the requirements for some time but had fallen short for a number of reasons such as competing workload, staff absences and the need for better overall corporate capacity and co-ordination.

To address the issue an Information Governance team was established and new systems had been put in place. Submitting statistics for May 2016 the Council was able to report a response rate of 89% a significant improvement compared to previous months and above the ICO target figure of 85%. The figures for June were set to be submitted and show a similar level of performance.

Recognising it was a legal requirement to respond, as a supplementary question Councillor Andrew Western asked what message the Executive Member thought it gave to those not receiving a response?

Councillor Williams assured Members that the Council did care and he was personally committed to openness and transparency. The level of performance had been recognised and actions had been put in place.

- (d) Councillor Lally asked the following question for which he had given notice:

“I am sure all Councillors from across the chamber will agree with me that at this time of year our inboxes are swelled by parents raising issues around school admissions. Having experienced the admission to the primary school process twice in the last few years I can appreciate the anxiety of those parents looking and wanting the best for their children.

Our School Admissions team work extremely hard to ensure all parents or guardians are satisfied with their allocation. However with greater demands from parents and over subscription of numerous schools the task is a difficult one; if not impossible.

**Meeting of the Council
27 July 2016**

I would like to ask the Executive Member for Children's Services how he feels the process has gone this year? How many parents challenged the original placement given to them in the first round of allocation? And at this time how many children across Trafford remain on the waiting list looking for an alternative?"

In response, Councillor Hyman, Executive Member for Children's Services believed that the School Admissions process for the primary reception intake had gone well the last year. All 3,001 applications from Trafford residents received by the statutory deadline of the 15 January 2016 resulted in the allocation of a place on the 16 April 2016, the statutory national offer date for primary school places. 85% of children were offered a place at their first preference school. In addition, 63 late applications from Trafford residents received by the 15 April 2016 were also allocated a school place.

The allocation letter advised parents of their right of appeal to an Independent Appeals Panel and also on how to apply for any vacancies. There had been a total of 187 appeals lodged, 127 appeals for Community Schools, 44 appeals for Voluntary-Aided Schools and 16 appeals for Academies. This represented 0.06% of the total number of places offered in April. In addition 272 applications were received from non-Trafford residents of which 114 were allocated a place in accordance with the statutory guidance.

The School Admissions Team had met all statutory deadlines. The application submission deadline of 15 January 2017 and national offer day of 16 April 2017 are statutory dates set by the Department for Education and cannot be changed. The popularity of Trafford Schools places an additional pressure on the School Admissions Team as the most popular schools are oversubscribed and also attract applications from non-Trafford residents. Trafford's strong transport links, job opportunities and excellent education continued to place demands on school places across the Borough.

Following a review of vacancies 97 places were offered to parents on 22 July. There were only 4 pupils who had not yet been offered a school place and the Admissions team was confident that all four pupils would be offered a place at the beginning of September, once responses to the latest offers had been received.

As a supplementary question, Councillor Lally asked Councillor Hyman for an explanation of the procedure following on from the allocation process should a pupil not take up the place offered.

The Executive Member advised that the Admissions Team work hard to ensure that parents have all the information they need to support them and encourage parents to apply for a place in their catchment area. Parents are helped to secure a school place whilst at the same time stating their preferred school, however, it can mean that some accept a school place whilst also being placed on their preferred school's waiting list, with some on several waiting lists. In addition to the published advice and guidance the Admissions Team was available to answer telephone, postal and email queries to help and support parents.

**Meeting of the Council
27 July 2016**

- (e) Councillor Mrs. Brophy asked the following question, the first of two for which she had given notice:

“Please would the Executive Member give details on why our Trafford targets to reduce emissions of carbon dioxide to combat climate change are much lower than all other Boroughs in Greater Manchester?”

Councillor John Reilly, Executive Member for Economic Growth, Environment and Infrastructure advised that the Carbon Budget in the Sustainable Trafford Strategy 2013-2020 identified a carbon emissions reduction target for Trafford for 2020 of 29% over the 1990 baseline. The target was lower than the Greater Manchester target of 48% because it was set according to a local evidence base for Trafford. Trafford was signed up as a Greater Manchester authority to support the delivery of the overall carbon emissions reduction target of 48% by 2020, however, it was recognised that some districts would be able to do more than others depending on their individual circumstances. The target would not be achieved in Trafford due to the industrial influence of Trafford Park.

Councillor Mrs. Brophy, asked as a supplementary question if more could be done in Trafford by imaginative methods to make people aware of climate change and the effect of carbon dioxide emissions which could lead to a higher target?

The Executive Member informed the Council that Councillor Mrs. Brophy had received information from officers on this matter previously and that initiatives had been organised and would continue to be, across Greater Manchester. Although attempts were being made, a briefing session for Members at Trafford Town Hall last November and a similar consultation event held in central Manchester in March 2016, were poorly attended.

- (f) Councillor Mrs. Brophy asked the following question, the second of two for which she had given notice:

“Please would the Executive Member offer an explanation as to why Amey services (ground maintenance providers) have been struggling to keep up with requests to cut hedges, trim grass and maintain the visual appearance of the green areas in our borough?”

The Executive Member for Economic Growth, Environment and Infrastructure, Councillor John Reilly reported that the One Trafford Partnership had acknowledged that in some cases, the standard of ground maintenance care had not been to the high standard that the partnership strived for and that this was being addressed by the partnership management team. The partnership had experienced challenges with both the equipment used and ensuring consistency in the quality of work which led to some grass verges not receiving the appropriate frequency of cut and in some situations a poor quality of cut. The partnership had been further hampered by a wet start to the summer season with some areas too wet for mowers to access and if they had attempted to cut would have caused long term damage. A review of the equipment in use had been carried out and all new plant will be ‘fit for purpose’.

**Meeting of the Council
27 July 2016**

The partnership also acknowledged that it should have communicated the timescale for hedge cutting so that Members and residents were aware that the operation could not commence until the bird nesting period was over. The season was now complete and the partnership had commenced its hedge cutting programme.

Referring to the other services Amey was responsible for, Councillor Mrs. Brophy asked as a supplementary question if there were plans to review these areas and how the partnership was working for the residents of Trafford?

Councillor John Reilly confirmed that a contract operational review had been undertaken for the first year and that if Councillor Mrs. Brophy had a ward specific issue the management team would be happy to meet with her to discuss.

19. NOTIFICATION OF CHANGE TO MEMBERSHIP OF OUTSIDE BODIES

RESOLVED: That the Council notes that Councillor M. Young has replaced Councillor Myers on the Association of Greater Manchester Authorities / Greater Manchester Combined Authority (GMCA) Audit Committee, to comply with the criteria for membership that Members are either a GMCA substitute or a member of its Scrutiny Pool.

20. REVISED HEALTH AND WELL BEING BOARD GOVERNANCE ARRANGEMENTS

The Interim Corporate Director, Children, Families and Wellbeing submitted a report providing an update on revised 2016/17 municipal year governance arrangements for the Health and Wellbeing Board.

With regard to the Voluntary and Third Sector Representative, Councillor Harding asked if the Council could look at a process to ensure that information regarding the appointment and in general, was cascaded across the sector. In response, Councillor Williams noted the concern and agreed that the matter should be explored.

RESOLVED: That the revised governance arrangements outlined in the report, for the municipal year 2016/17, be approved.

21. REPORT OF THE INDEPENDENT REMUNERATION PANEL

The Chief Executive submitted a report presenting the recommendations of the Independent Remuneration Panel that had been convened in accordance with the Local Authorities (Members' Allowances) (England) Regulations 2003. The Panel had been requested to consider the remuneration for the new Deputy Executive Member roles which were established at the Annual Meeting on the 25 May 2016.

It was moved and seconded that the recommendations of the Independent Remuneration Panel be approved.

The Motion was put to the vote and declared carried.

**Meeting of the Council
27 July 2016**

RESOLVED –

- (1) That the recommendations of the Panel, as set out below, be approved:
 - i. That the Scheme of Members' Allowances for Trafford Council be amended to include a Special Responsibility Allowance of £6,491.50 for Deputy Executive Members and £1,297.50 for Shadow Deputy Executive Members.
 - ii. That the allowances be backdated to the date of appointment of 25 May 2016.
 - iii. That allowances for the Lead Member and Shadow Lead Member roles be deleted from the scheme.
- (2) That the Director of Legal and Democratic Services be authorised to revise Part 6 of the Constitution: Members Allowances Scheme, as a consequence of this decision.

22. TREASURY MANAGEMENT ANNUAL PERFORMANCE 2015/16

The Executive Member for Finance and the Chief Finance Officer submitted a joint report reviewing treasury activities for the past financial year, in accordance with the Chartered Institute of Public Finance and Accountancy (CIPFA) Code of Practice, as adopted by the Council.

The report had also been considered by the Executive on 20 June 2016 and the Accounts and Audit Committee on 28 June 2016.

RESOLVED: That the Council notes:

- (i) the Treasury Management activities undertaken in 2015/16;
- (ii) that no prudential limits were breached during 2015/16; and
- (iii) that there was full compliance with both the CIPFA Code of Practice on Treasury Management and CIPFA Prudential Code for Capital Finance.

23. YEAR END CORPORATE REPORT ON HEALTH AND SAFETY - 1 APRIL 2015 TO 31 MARCH 2016

The Executive Member for Transformation and Resources submitted a report providing information on council wide health and safety performance and trends in workplace accidents. The report also provided a summary of other key developments in health and safety for the period 1 April 2015 to 31 March 2016.

With regard to information on incidents involving the Council's partner Amey, the Executive Member indicated that she would provide Councillor Adshead with details on any specific queries he had.

**Meeting of the Council
27 July 2016**

RESOLVED: That the report be noted.

**24. MOTION SUBMITTED BY THE LABOUR GROUP - PUBLIC PARTICIPATION
AT COUNCIL MEETINGS**

Further to Minute No. 83 of the meeting held on 23 March 2016, it was moved and seconded that:

“This Council believes that it is crucially important that all the residents of Trafford play a full part in the democracy of Local Government and the decision making process.

Council further notes that in many other Local Authorities across the country, such as Cheshire East, the active participation of residents is encouraged by allowing them to speak at full Council and other designated meetings.

It is therefore proposed that this right is extended to Trafford citizens, based on certain agreed principles and conditions. These are broadly based on the Cheshire East model, which enables members of the public to make statements and ask questions at Council meetings, excluding Planning, Licencing and Scrutiny.

Under these guidelines:

- A total period of 15 minutes is allocated for members of the public to speak at Council meetings.
- A total period of 10 minutes will be allocated for members of the public to speak at meetings of the Executive, committees and sub-committees.
- Members of the public may speak on any matter relating to the work of the Council.
- Members of the public will normally be allowed up to 5 minutes each to speak, but the Mayor or Chair will decide how the period of time allocated for public speaking will be apportioned where there are a number of speakers.
- Where a member of the public wishes to ask a question of an Executive member, or of the Chair of a committee or sub-committee, at least 3 clear working days’ notice must be given in writing to Democratic Services, in order that an informed answer may be given.

Council are therefore asked to agree these broad proposals, and ask Officers to set up procedures in the near future for the implementation of this initiative, which will encourage active public participation.”

Following a debate on the matter, the Motion was put to the vote and declared lost.

**Meeting of the Council
27 July 2016**

25. MOTION SUBMITTED BY THE LABOUR GROUP - STATEMENT RE: RISE OF HATE CRIME/XENOPHOBIA FOLLOWING BREXIT

It was moved and seconded that:

“We are proud to live in a diverse and tolerant society. Racism, xenophobia and hate crimes have no place in our country. Our Council condemns racism, xenophobia and hate crimes unequivocally. We will not allow hate to become acceptable.

We will work to ensure that local bodies and programmes have the support and resources they need to fight and prevent racism and xenophobia.

We reassure all people living in this area that they are valued members of our community.”

During the debate on the matter, a slight revision to the Motion was suggested with the proposed insertion of the word “available” before the word “resources” in the second paragraph. The mover and seconder of the Motion accepted the proposed revision and the meeting signified its consent. The revised Motion was subsequently agreed with the unanimous consent of the Council.

RESOLVED: That we are proud to live in a diverse and tolerant society. Racism, xenophobia and hate crimes have no place in our country. Our Council condemns racism, xenophobia and hate crimes unequivocally. We will not allow hate to become acceptable.

We will work to ensure that local bodies and programmes have the support and available resources they need to fight and prevent racism and xenophobia.

We reassure all people living in this area that they are valued members of our community.

26. MOTION SUBMITTED BY THE CONSERVATIVE GROUP - GREATER MANCHESTER SPECIALIST LEAVING CARE TRUST

It was moved and seconded that:

“Whilst not being complacent, this Council is rightly proud of Trafford’s position as an ‘outstanding’ authority for care leavers and would like to thank staff and partners who work incredibly hard to achieve this and meet increasing demand as child protection cases continue to rise.

In this context, this Council welcomes the proposed creation of the Greater Manchester Specialist Leaving Care Trust (the first of its kind in the country), a single GM organisation to provide corporate parenting for young people leaving care, working beyond local authority boundaries. The Trust will provide 16-25 year olds with access and support across a range of health

**Meeting of the Council
27 July 2016**

and social care services and will bring all services to care leavers under one organisational form, delivered across Greater Manchester.

An initial coalition of a number of local authorities, led by Trafford as an 'outstanding' service, will commence the implementation of the foundations of the new organisation immediately, aiming to 'go live' from Spring 2017, before scaling up to include remaining local authorities by December 2017.

This Council fully supports the GM Specialist Leaving Trust and Trafford's leading role, recognising the benefits that this will bring to care leavers across Greater Manchester."

Following a debate on the matter, the Motion was agreed with the unanimous consent of the Council.

RESOLVED: That whilst not being complacent, this Council is rightly proud of Trafford's position as an 'outstanding' authority for care leavers and would like to thank staff and partners who work incredibly hard to achieve this and meet increasing demand as child protection cases continue to rise.

In this context, this Council welcomes the proposed creation of the Greater Manchester Specialist Leaving Care Trust (the first of its kind in the country), a single GM organisation to provide corporate parenting for young people leaving care, working beyond local authority boundaries. The Trust will provide 16-25 year olds with access and support across a range of health and social care services and will bring all services to care leavers under one organisational form, delivered across Greater Manchester.

An initial coalition of a number of local authorities, led by Trafford as an 'outstanding' service, will commence the implementation of the foundations of the new organisation immediately, aiming to 'go live' from Spring 2017, before scaling up to include remaining local authorities by December 2017.

This Council fully supports the GM Specialist Leaving Trust and Trafford's leading role, recognising the benefits that this will bring to care leavers across Greater Manchester.

27. MOTION SUBMITTED BY THE CONSERVATIVE GROUP - EU REFERENDUM

It was moved and seconded that:

"This Council respects the result that last month's referendum delivered by the country. Locally, its overarching message is one of reassurance and recognition of the incumbent responsibility on all elected members to provide leadership, stability and confidence both to the Council and most importantly to the communities we serve.

Those on both sides of the debate took the opportunity to put their arguments to the residents of Trafford and we must now come together and look to the future of our borough.

**Meeting of the Council
27 July 2016**

Our communities in Trafford are special and strengthened through their diversity. The contribution that everyone plays in creating a tolerant, respectful and inclusive culture in our society is highly valued, regardless of background, nationality, ethnicity, disability, sexuality and those of faith or none. We are confident we speak on behalf of everyone in the Council in saying we are all united in a common purpose to celebrate our differences and champion our togetherness as one place and one borough. We will not tolerate anything that threatens harmony in our communities and will continue to be a welcoming home.

This Council will pay close attention to the new and quickly evolving environment, to ensure we can support our local business and civil society, in order to keep Trafford integral to the regional economy and as one of the most successful, thriving and prosperous boroughs in Greater Manchester.”

(Note: Prior to the debate on the matter, the time being 9.15 p.m., the Mayor indicated that the length of speeches would be restricted to 2 minutes per speaker.)

Following speeches in support, the Motion was agreed with the unanimous consent of the Council.

RESOLVED: That This Council respects the result that last month’s referendum delivered by the country. Locally, its overarching message is one of reassurance and recognition of the incumbent responsibility on all elected members to provide leadership, stability and confidence both to the Council and most importantly to the communities we serve.

Those on both sides of the debate took the opportunity to put their arguments to the residents of Trafford and we must now come together and look to the future of our borough.

Our communities in Trafford are special and strengthened through their diversity. The contribution that everyone plays in creating a tolerant, respectful and inclusive culture in our society is highly valued, regardless of background, nationality, ethnicity, disability, sexuality and those of faith or none. We are confident we speak on behalf of everyone in the Council in saying we are all united in a common purpose to celebrate our differences and champion our togetherness as one place and one borough. We will not tolerate anything that threatens harmony in our communities and will continue to be a welcoming home.

This Council will pay close attention to the new and quickly evolving environment, to ensure we can support our local business and civil society, in order to keep Trafford integral to the regional economy and as one of the most successful, thriving and prosperous boroughs in Greater Manchester.

The meeting commenced at 7.05 p.m. and finished at 9.23 p.m.

TRAFFORD COUNCIL

Report to: Accounts and Audit Committee
Date: 28 June 2016
Report for: Information
Report of: Cllr Mitchell and Cllr Butt – Chair and Vice - Chair
Accounts & Audit Committee (2015/16)

Report Title

Accounts and Audit Committee Annual Report to Council 2015/16.

Summary

The report sets out the 2015/16 Annual Report of the Accounts and Audit Committee to be submitted to Council.

Recommendation

The Accounts and Audit Committee is asked to note the report.

Contact person for access to background papers and further information:

Name: Mark Foster – Audit and Assurance Manager
Extension: 1323

Background Papers:

2015/16 Accounts and Audit Committee minutes

Accounts & Audit Committee
Annual Report
To Council

2015-2016



TRAFFORD
COUNCIL

CONTENTS

FOREWORD BY CHAIR & VICE-CHAIR OF THE ACCOUNTS & AUDIT COMMITTEE.....	Page 2
INTRODUCTION	
Role of the Committee.....	Page 3
Purpose of the Report.....	Page 3
Membership of the Committee.....	Page 3
ACCOUNTS & AUDIT COMMITTEE – SUMMARY OF WORK COMPLETED	Page 4
2015/16 – THE WORK OF THE ACCOUNTS & AUDIT COMMITTEE	
Internal Audit.....	Page 5
External Audit.....	Page 7
Risk Management.....	Page 9
Corporate Governance and the Annual Governance Statement.....	Page 10
Anti Fraud & Corruption Arrangements.....	Page 12
Accounts/Financial Management.....	Page 13

FOREWORD BY THE CHAIR AND VICE-CHAIR OF THE ACCOUNTS & AUDIT COMMITTEE

Continuing developments and challenges, including financial pressures, faced by local authorities highlight the need for the Council to ensure that there are effective governance, risk management and internal control arrangements in place in order that resources are managed effectively. The Accounts and Audit Committee is independent of the Executive and plays a key role in providing challenge across the organisation. It provides independent assurance to the Council and the public on how effectively the Council is being managed. We believe that the work of the Accounts and Audit Committee should be and is central to the provision of effective corporate governance.

The Committee has covered a broad range of work during the year. In addition to coverage of its work plan which was agreed at the start of the year, the Committee has sought assurance through the year as issues arise. This report sets out detail of how we have ensured the Committee has met its responsibilities through the year.



Councillor Alan Mitchell
Chairman, Accounts & Audit Committee 2015-16



Councillor Dylan Butt
Vice-Chair, Accounts & Audit Committee 2015-16

INTRODUCTION

Role of the Committee

The role of the Accounts and Audit Committee is to:

- provide independent assurance on the adequacy of the risk management framework and the associated control environment,
- undertake independent scrutiny of the Authority’s financial and non financial performance to the extent that it affects the Authority’s exposure to risk and weakens the control environment, and
- oversee the financial reporting process.

Assurance is gathered by the Committee largely from the work of Finance Services (including Financial Management and the Audit and Assurance Service), and External Audit (provided by Grant Thornton in 2015/16). Relevant officers within these areas attended meetings through the year. This was supplemented by assurance from other sources where this was considered appropriate, for example direct from the Council’s managers.

Purpose of the Report

The purpose of this report to Council is to:

- Summarise the work undertaken by the Accounts & Audit Committee during 2015/16 and the impact it has had.
- Provide assurance to the Council on the fulfilment of the Committee’s responsibilities.

Membership of the Committee

The Accounts & Audit Committee’s terms of reference state that its membership shall comprise seven Members, be politically balanced within the Council’s current system, and shall not include any Members of the Executive.

Accounts & Audit Committee Membership	
2015/16	2016/17
Cllr Alan Mitchell (Chair)	Cllr Jonathan Coupe (Chair)
Cllr Dylan Butt (Vice Chair)	Cllr Paul Lally (Vice Chair)
Cllr Tom Ross	Cllr Alan Mitchell
Cllr Barry Brotherton	Cllr Chris Boyes
Cllr Mrs Jane Baugh	Cllr Tom Ross
Cllr Chris Boyes	Cllr Mrs Jane Baugh
Cllr Nathan Evans	Cllr Barry Brotherton

ACCOUNTS & AUDIT COMMITTEE – SUMMARY OF WORK COMPLETED

The Committee derives its independent assurance from a number of sources including the work of External Audit, Finance (including Internal Audit and Financial Management) and managers across the Council.

During the year, these sources of assurance were reported to the Committee on a regular basis encompassing all the themes identified in the Committee's Terms of Reference. The Committee received information at each meeting and provided challenge and feedback to officers and external auditors, therefore fulfilling its responsibilities during 2015/16.

Accounts & Audit Committee Members are very aware of the important role they have as the Council's Members charged with responsibility for governance. The need for the Council to achieve financial savings whilst ensuring effective service delivery highlights the need to ensure effective governance arrangements, systems and controls are in place.

Areas covered by the Committee during the year, in line with its remit, included:

- Internal and External Audit;
- Risk Management;
- Corporate Governance, Internal Control and the Annual Governance Statement;
- Anti-Fraud and Corruption, and
- The production of the Statement of Accounts.

An established arrangement is in place whereby a work programme is agreed by the Committee at the start of each year to ensure it met its responsibilities. For 2015/16, the work programme included reviewing regular updates on the work of external audit, internal audit, approval of draft and final accounts, updates of the Council's strategic risk register, review of anti-fraud and corruption arrangements, and updates on treasury management and insurance activity. The programme also covered consideration of training and awareness for Committee Members which included a workshop on the Council's accounts.

Further to the establishment of the agreed meeting timetable and work programme at the start of the year, the Committee reviewed the programme through the year and where needed, agenda items were added as required. This included a presentation on the One Trafford Partnership which was established during the year.

Assurance in terms of the outcome of the 2015/16 External Audit of the Council's Financial Statements and a conclusion on the Council's Value for Money arrangements will be reported later in 2016 to the Committee in the External Auditor's 2015/16 Annual Audit Letter. In November 2015, the Committee had gained assurance through the 2014/15 Annual Audit Letter that an unqualified opinion was given on the 2014/15 financial statements. The report also concluded that, in all significant respects, the Council had put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2015.

Details of the work undertaken by the Committee are set out in the rest of this report.

Accounts and Audit Committee – Work Completed During 2015/16

Internal Audit

Role of the Committee in relation to Internal Audit:

- Review and approve (but not direct) the Internal Audit Charter, Internal Audit Strategy and internal audit resourcing.
- Review and approve (but not direct) the annual Internal Audit work programme. Consider the proposed and actual audit coverage and whether this provides adequate assurance on the organisation’s main business risks. Review the performance of Internal Audit.
- Receive summary internal audit reports and seek assurance on the adequacy of management response to internal audit advice, recommendations and actions plans.
- Review arrangements for co-operation between Internal Audit, External Audit and other review bodies, and ensure that there are effective relationships which actively promote the value of the audit process.
- Receive the Annual Internal Audit report and opinion.

Work Completed	Outcome/ Impact
<p>The progress of internal audit work conducted by the Audit and Assurance Service was reported to the Committee on a quarterly basis. This included summary findings from individual audit reviews, responses to audit reports, progress in implementing the annual audit plan and performance of the Audit and Assurance Service. Update reports were presented in September 2015, November 2015 and February 2016.</p> <p>June 2015 The Annual Internal Audit Report was submitted, providing an opinion on the standard of internal controls during 2014/15 based on Internal Audit work undertaken during the period.</p>	<p>The Committee maintained an overview of the control environment reviewed by Internal Audit and also obtained assurance in respect of Internal Audit performance.</p> <p>Updates included details of areas reviewed where controls were found to be operating to a satisfactory standard and others within the Council where improvements were identified and audit recommendations made accordingly.</p>

(Internal Audit continued)	
Work Completed	Outcome/ Impact
<p>March 2016 The Committee reviewed the updated Internal Audit Charter and Strategy. The Internal Audit Charter describes the purpose, authority and principal responsibilities of the Internal Audit function provided by the Audit and Assurance Service, and the Internal Audit Strategy describes the arrangements in place to deliver internal audit so as to ensure that the objectives and scope of the Service are met.</p> <p>A report was submitted incorporating the 2016/17 Annual Internal Audit Plan.</p>	<p>The Accounts and Audit Committee approved the updated Internal Audit Charter and Strategy.</p> <p>Assurance that Internal Audit coverage for the coming year covered a wide range of key business risks and plans were in place to make adequate internal audit resources available to complete the planned work.</p>

External Audit

The role of the Committee in relation to External Audit is:

- To review and consider proposed and actual External Audit coverage and its adequacy, and consider the reports of External Audit and other inspection agencies.
- To receive updates from External Audit on findings and opinions, and assurance as to the adequacy of management’s response to External Audit advice, recommendations and action plans.
- To review arrangements made for co-operation between External Audit, Internal Audit and other review bodies.

Work Completed	Outcome/ Impact
<p>June 2015 The Committee received a report from Grant Thornton on the progress made in delivering its responsibilities as the Authority’s external auditor. The report also highlighted key emerging national issues and developments which could be of interest to members of the Committee. Other such updates were provided at meetings in November 2015 and February 2016.</p>	<p>The Committee was able to monitor progress in respect of external audit work.</p>
<p>September 2015 The Committee receive a report on the findings to date from the External Auditor in respect of the audit of the Council’s accounts for the year ended 31 March 2015 and its work to provide a conclusion on whether the Council has put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources (Value for Money conclusion).</p>	<p>Members were advised that it was anticipated that an unqualified opinion on the financial statements would be provided.</p> <p>Based on the Council’s arrangements to secure economy, efficiency and effectiveness in its use of resources, an unqualified Value for Money conclusion was proposed.</p>
<p>November 2015 The Committee received the Council’s Annual Audit Letter for the year ended 31 March 2015, summarising the key findings arising from the work of the External Auditor, Grant Thornton.</p>	<p>The Annual Audit Letter confirmed that an unqualified opinion was given on the financial statements.</p> <p>It was also concluded that, in all significant respects, the Council has put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources for the year ending 31 March 2015.</p>
<p>February 2016 As part of the February update report, Grant Thornton presented a letter summarising its overall findings from the certification of the Council’s 2014/15 Housing Benefits subsidy claim.</p>	<p>The Committee noted the findings including agreement that further audit testing work was to be completed by the end of March 2016.</p>

(External Audit continued)	
Work Completed	Outcome/ Impact
<p>March 2016</p> <p>The Committee received the External Audit Plan from Grant Thornton which outlined its audit approach and plan to deliver the audit for the year ended 31 March 2016. The report also set out the External Audit fees and assumptions supporting these.</p>	<p>The report submitted provided the Committee with details of work Grant Thornton is required to undertake as the council’s external auditor.</p>

Risk Management

The role of the Committee in relation to risk management:

- Review the adequacy of arrangements for identifying and managing the organisation’s business risks – including the Council’s risk management policy and strategy and their implementation.
- Review the robustness of the strategic risk register and the adequacy of associated risk management arrangements.
- Receive and consider regular reports on the risk environment and associated management action.

Work Completed	Outcome/ Impact
<p>September 2015 The Committee was provided with a report setting out the Council’s Strategic Risk Register. The report provided an update on the strategic risk environment which included details of risks that had been removed as well as changes in risk levels.</p>	<p>The Committee received assurance on the arrangements for reviewing key strategic risks. The Committee provided feedback regarding the detail provided relating to some risks and requested further information on some areas which was provided following the meeting.</p>
<p>March 2016 The Committee was provided with a further update report on the Strategic Risk Register including risks added, removed or where risk levels had changed.</p> <p>The highest risks identified reflected risks relating to the Council’s medium term financial and risks in relation to the departure of, and retention of, senior managers within the Council. A further updates on this latter risk was requested for the June 2016 meeting.</p>	<p>The Committee received assurance that there is ongoing monitoring of strategic risks with details provided for each risk of control / monitoring arrangements in place and where applicable further improvements planned.</p>

Corporate Governance, Internal Control and the Annual Governance Statement

The role of the Committee in relation to the above is to:

- Conduct a critical review of the proposed Annual Governance Statement, the procedures followed in its completion and supporting evidence to provide assurance to the Leader of the Council and the Chief Executive of its meaningfulness and robustness.
- Review effectiveness of corporate governance and internal control across the organisation and the adequacy of action taken to address any weaknesses or control failures.

Work Completed	Outcome/ Impact
<p>June 2015 A report including the 2014/15 draft Annual Governance Statement, details of the Committee’s review of the Statement and also the updated Corporate Governance Code were presented.</p>	<p>The Committee noted that the Members were satisfied with the process followed in generating the Annual Governance Statement and were satisfied that the statement itself is robust. The Committee also agreed the updates the Council’s Corporate Governance Code.</p>
<p>September 2015 The final version of the Annual Governance Statement, signed by the Chief Executive and Leader, was submitted to the Committee.</p> <p>The Committee received a report summarising the actions and improvements made to the Council’s budget monitoring arrangements in line with the Action Plan produced in the previous year.</p>	<p>The Committee approved the 2014/15 Annual Governance Statement.</p> <p>The Committee was able to note continued progress in improving budget monitoring arrangements which was highlighted as a significant governance issue for 2015/16 within the 2014/15 Annual Governance Statement.</p>
<p>November 2015</p> <p>The Committee received a report providing an update on work undertaken to date, as well as further work planned in respect of Leisure Services within the Borough.</p> <p>The report updated the Committee on the position of Trafford Leisure CIC Limited and their operation of Trafford’s leisure services.</p>	<p>Members were able to gain information to understand arrangements in place and planned developments in respect of Leisure Services which had been identified as a significant governance issue in the Annual Governance Statement.</p>
<p>February 2016 A report setting out a proposed approach / timetable to ensure compliance with the production of an Annual Governance Statement for 2015/16 was presented.</p> <p>Reports were presented in respect of two significant governance issues highlighted in the Annual Governance Statement. These related to Information Governance across the Council and</p>	<p>Procedures and responsibilities of Members and officers in the process for producing and approving the 2015/16 Annual Governance Statement were agreed.</p> <p>Assurance was provided that the organisation is continuing to take action to address significant governance issues highlighted in the previous year’s Annual Governance Statement.</p>

(Governance Continued)	
Work Completed	Outcome/ Impact
<p>secondly in relation to Locality Working. The reports highlighted progress made in respect of work undertaken and further work planned in these respective areas.</p> <p>March 2016</p> <p>A report was presented in respect of another significant governance issue highlighted in the 2013/14 Annual Governance Statement. This related to the progress made in respect of the Council's Reshaping Trafford programme.</p> <p>A presentation was given in respect of governance arrangements in respect of the Council's One Trafford Partnership.</p>	<p>Assurance was provided that the organisation is taking action to continue to progress a key area highlighted in the previous year's Annual Governance Statement.</p> <p>The Committee was able to gain an update and ask questions in relation to the partnership which had been established in July 2015. Committee Members had agreed at the previous meeting (February 2016) that this item should be added to the Committee's work programme.</p>

Anti - Fraud & Corruption Arrangements

The role of the Committee is to:

- Review and ensure the adequacy of the organisation’s Anti - Fraud & Corruption policy and strategy and the effectiveness of their application throughout the Authority.
- Review and ensure that adequate arrangements are established and operating to deal with situations of suspected or actual fraud and corruption.

Work Completed	Outcome/ Impact
<p>September 2015 The Benefit Fraud Investigation Team 2014/15 Annual Report was presented outlining the Council’s responsibilities towards tackling benefit fraud and detailing the team’s performance during the period.</p> <p>The Committee was also advised of future changes with the transfer of existing benefit fraud investigation staff to the Department for Work and Pensions (DWP) on 1 March 2016 as part of the establishment of a national Single Fraud Investigation Service. The Committee was advised that work was underway in reviewing Counter Fraud arrangements at the Council in place after the transfer.</p>	<p>In respect of benefit fraud, assurance was obtained on the adequacy of the Council’s anti-fraud and corruption arrangements and ongoing developments.</p> <p>The Committee was provided with assurance that the Council was working to ensure fraud investigation capacity is in place going forward.</p>
<p>March 2016 The Audit and Assurance Service provided a report on anti-fraud and corruption work undertaken during the year. This included a summary of investigation work undertaken by the Service and an update on other work undertaken including an update on activity to support the National Fraud Initiative.</p> <p>The report also provided an update on developments within the Council in light of the recent transfer in March 2016 of Fraud investigation staff to the DWP. A new Counter-Fraud and Enforcement Team within the Council’s Exchequer Services has been established with the aim to initially focus primarily on revenues related fraud which the Council would continue to be responsible for. Particular areas of focus initially are on Council Tax and Business Rates.</p>	<p>The Committee gained a further update on developments in relation to anti-fraud and corruption work.</p> <p>Given the recent formation of the Counter Fraud and Enforcement team following the transfer of Benefit Fraud Investigation staff to the DWP, the Committee was advised that Members would receive an update later in 2016 in respect of the new team’s progress and future plans.</p>

Accounts / Financial Management

The role of the Committee is to:

- Approve the Council’s Annual Statement of Accounts including subsequent amendments.
- Consider the External Auditor’s report on the audit of the Council’s annual financial statements.
- Be responsible for any matters arising from the audit of the Council’s accounts.

Work Completed	Outcome/ Impact
<p>June 2015</p> <p>The pre-audited Annual Statement of Accounts for 2014/15 was presented along with the 2014/15 Revenue Budget Outturn and Capital Investment Programme Outturn reports.</p> <p>(In advance of the June Committee meeting, a training session was arranged for Committee Members on the Council’s Accounts).</p> <p>A report was submitted on the outcome of the review of treasury management activities for the past financial year.</p> <p>A report was submitted providing details of the Council’s insurance arrangements and activity in 2014/15. This included details in respect of the major classes of insurance.</p> <p>A presentation was given to the Committee on schools funding, providing an overview of the Dedicated Schools grant for Trafford.</p>	<p>In accordance with best practice, the Committee was able to review the accounts prior to submission to the external auditor and public inspection.</p> <p>Assurance was obtained that treasury management activities adhere to the CIPFA Code of Practice on Treasury Management and CIPFA Prudential Code for Capital Finance.</p> <p>Assurance was obtained that insurance arrangements are monitored and regularly reviewed.</p> <p>Members had previously requested information on schools funding at an earlier meeting and this presentation was held to provide the Committee with more details.</p>
<p>September 2015</p> <p>The final accounts were presented following the audit of the 2014/15 draft accounts.</p>	<p>The Committee approved the final accounts for 2014/15.</p>
<p>November 2015</p> <p>A report was presented providing an update on the progress of the treasury management activities undertaken for the first half of 2015/16.</p> <p>The Committee received a presentation from the Director of STAR Shared Procurement Service.</p>	<p>The Committee was able to monitor treasury management performance during the year in line with the CIPFA Code of Practice on Treasury Management.</p> <p>The Committee was able to gain an update on current corporate procurement arrangements.</p>

(Accounts/Financial Management continued)	
Work Completed	Outcome/ Impact
<p>This included reference to actions completed over the last year including the introduction of a new set of Contract Procedure Rules implemented across Trafford, Stockport and Rochdale Councils.</p>	
<p>February 2016 A Treasury Management report was submitted setting out the Council’s strategy for 2016/17 – 2018/19. This included the debt strategy, minimum revenue provision (amounts set aside for debt repayment) and investment strategy. (Strategy update reports had also been presented to the June and November meetings).</p> <p>All meetings</p> <p>The Accounts and Audit Committee received the most recent available monthly budget monitoring report at each meeting.</p>	<p>The Audit Committee recommended that the Council approve the various elements of the Strategy.</p> <p>The Committee had the opportunity to review information and raise queries on budget monitoring information submitted through the year.</p>

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Report to: Trafford Council
Date: 6th September 2016
Report for: Decision
Report of: Director of Procurement

Report Title

Revision to the harmonised Contract Procedure Rules (CPRs) for Trafford Council

Summary

The purpose of this report is to set out proposed amendments to the harmonised CPRs currently adopted into the Council's Constitution and to request agreement to these revisions

Recommendations

The recommendation of this report is that the Council approves the revised CPRs provided at Appendix 2 and recommends that the revised CPRs are incorporated into the Constitution of the Council

Contact person for access to background papers and further information:

Name: Sharon Robson
Phone: 07817 882169

Background

Financial Impact:	None
Legal Impact:	Amendment to the Contract Procedure Rules will need to be formally adopted by the Council in accordance with procedures for the amendment of its Constitution
Human Resources Impact:	None
Asset Management Impact:	None
E-Government Impact:	None
Risk Management Impact:	None
Health and Safety Impact:	None

Consultation

No public consultation required

Reasons for Recommendation(s)

1. Background

- 1.1 The harmonised CPRs were adopted into the Constitution of each STAR Council (Stockport, Trafford and Rochdale) in 2015 and the STAR Joint Committee requested a review of these CPRs in 2016. The project to adopt harmonised rules was a substantial and significant piece of work completed by the CPR working group which consisted of Legal and Finance Officers from each Council
- 1.2 Response to the CPRs as adopted in 2015 has been overwhelmingly positive and reflects the rigour with which the initial review was undertaken. It was always planned to have an overview after the initial year of operation. STAR Procurement has canvassed opinion from key users and has collated feedback from customer surveys to inform the proposed revisions
- 1.3 STAR Legal, in conjunction with STAR Procurement reviewed all suggested amendments and condensed these into a series of proposals that are provided in Appendix 1 and has then made the required amendment to the text of the CPRS and a clean copy of the amended text is provided in Appendix 2

- 1.4 In some instances STAR has proposed that the CPRs are amended, in others and in order to ensure that the CPRs are “future proof”, STAR proposes to add further guidance to its Procurement Handbook
- 1.5 The STAR Joint Committee met on 20th July 2016, agreed to the proposed amendments and recommended that each STAR Council now separately decides whether to alter its Constitution to incorporate the revised Rules.
- 1.6 As the changes being proposed are tidying up and clarification rather than significant changes to process they are being dealt with under Article 15.2 of the Constitution after consideration by the Monitoring Officer.

2. Key Proposed CPR Amendments

- 2.1 **Authority to procure.** This amendment will reinforce the requirement for officers to ensure that they have the authority to procure from the outset, as the procurement process commences with submission of a Procurement Initiation Document (PID) and STAR Procurement acts on this PID
- 2.2 **Framework Agreements.** The CPRs are unclear as to whether an exemption report is required when calling off goods services or works from a framework contract. The original intention was that call off from a properly procured framework would fall within the Rules and therefore not require the completion of an exemption form. The proposed amendment removes the ambiguity.
- 2.3 The PID will confirm that the requisite authority to undertake the procurement exercise, and authority is provided to enter into the resultant Framework Agreement.
- 2.4 **Exemptions.** Exemptions are currently dealt with in two sections of CPRs. Section 5 which sets out “Contracts which do not require full competition” and section 10 “Exemptions and Modifications”. There was a clear rationale for setting out the document in this way however feedback from users is that it is confusing and time consuming to have to review both rules and they would find it easier to navigate the rules if all clauses relating to Exemptions were included in the Exemptions and Modification section of the document.
- 2.5 **Procurement Values.** Users felt that additional guidance regarding the manner in which the overall procurement value shall be calculated would be useful. This should ensure that there are no potential issues such as

disaggregation of spend to avoid certain tender processes and incorrect use of the sub-£5,000 / one quote process. The amendment reinforces the procedure for calculating total estimated contract value to ensure the correct procurement procedures are then followed.

- 2.6 **Procurement Thresholds.** When setting the procurement thresholds for open tender it was agreed by the STAR Board and Joint Committee that CPRs represented the minimum requirement (i.e. minimum number of selected bidders) however, where ever possible the intention is to encourage officers to move to full open competition. Splitting the value thresholds into spend bands allows for reference to the Procurement Handbook which will have guidance / information promoting the use of open competition where possible. Similarly allows for guidance regarding the procurement procedure which should be used.
- 2.7 **Procurement Initiation Document.** It has been determined that a single PID document is required for all procurement activities, removing the need to differentiate between a PID for a Request for Quotation and a PID for a full Tender process
- 2.8 **Modifications.** Further updating has been provided to reflect the Public Contracts Regulations in respect of modifications of existing contracts and the amendment will ensure parity between the CPRs and the Regulations. Additionally, the amendments will ensure that contracts with inbuilt extension periods will not simply be extended without due regard for best value
- 2.9 **Dynamic Purchasing Systems and Concession Contracts.** Proposed update to include specific guidance for use of DPS and introduces rules for Concession Contracts following introduction of specific Regulations arising from a new separate EU Directive on Concession Contracts
- 2.10 **STAR Brand.** CPRs currently reference the previous "STaR" brand and have been updated with the new brand accordingly.

3. Next Steps

- 3.1 Pending agreement and adoption into the Constitution of each STAR Council, STAR Procurement will undertake a programme of updating the Procurement Handbook to provide guidance as necessary

4. Recommendations

- 4.1 It is recommended that Trafford Council approves the revised CPRs provided at Appendix 2.

Report Appendices

1. Amendments recommended by the STAR Joint Committee
2. Revised Contract Procedure Rules for adoption

Appendix 1: Proposed amendments

PROPOSED AMENDMENT	RATIONALE	ACTION	PROPOSED AMENDMENT	CPRs OR HANDBOOK
Rule 3.2.2 Responsibilities	Additional wording around agents and consultants, etc.		Rule 3.2.2	CPRs
New Rule 5 With regards to tracing the origins of authority to begin procurement. Under the current CPRs it states that procurement activity can begin once the PID has been initiated so is at this point that confirmation is required that the correct authority to commence procurement has been received	Rule 5.1.1 Authority to procure As drafted, deals with the delegated authority of officers under the scheme of delegation – which allows the officers to instruct STAR or undertake the procurement exercise	Additional provision which indicates that STAR may request demonstration of authority / decision linked to the source of the authorisation	Rules 5.1 and 5.1.1	CPRs CPRs
Remove the requirement for an exemption form to be completed for call-off from a framework agreement	Agreed by all parties	To be reviewed and Frameworks removed from exemption process	OLD Rules 5.1 & 5.1.1 deleted New Rule 5.3.1 amended	CPRs CPRs
Rule 6.5 Value Table 1 after 6.5.4 Remove choice for band 5	Additional clarity around calculation of contract value Users have requested further clarity around which option is chosen. Further, this allows for reference to the Procurement Handbook to encourage ASOs to move to fully open competitive procedure rather than the minimum requirement of a limited number of quotes set out by CPRs. Similarly provides for further guidance regarding the choice of procurement procedure.	Add in link to further guidance around choices of procedure	Intro inserted New Rules 5.5.1 & 5.5.2 TABLE 1 Additional Column added to Table 1 to allow for further clarification around choice of activities New Rule 5.5.6 – Reference to Procurement Handbook	CPRs CPRs Handbook

PROPOSED AMENDMENT	RATIONALE	ACTION	PROPOSED AMENDMENT	CPRs OR HANDBOOK
Reference to PID Remove reference to separate "quote" and "tender" PIDs and just state "PID"	Agreed that the reference to a Tender PID and a Quote PID is not needed in Rule 5.1.1	Reference to separate documents be removed to leave one PID document	Removed	CPRs
Roles between Rule 7 and Rule 8 aren't clear	Agreed that the roles need to be more defined to add clarity	STAR Procurement to highlight roles and identify owner of tasks STAR Legal to subsequently review and amend the rules	Minor amendment made to Rule 7.2.3	CPRs
Modifications New Rule 9.3.1	Definition of Modification Modification grounds are update to reflect of all grounds determined by the Regulations CPRs silent on Contracts with built-in extension provisions	Means any variation to a Contract, including an extension Sections to be amended Need to link to a trigger for review to avoid automatic extension	Amended to include FW/DPS Regulations inserted verbatim – To be consistent with Modification document which is used. Additional guidance to be included in the Procurement Handbook New Rule 9.3.6 added. Options appraisal to be included and linked to additional guidance to be included in the Procurement Handbook	CPRs Handbook Handbook

PROPOSED AMENDMENT	RATIONALE	ACTION	PROPOSED AMENDMENT	CPRs OR HANDBOOK
Exemptions: Old Rule 10 - New Rule 9	<p>Feedback from users that having Exemptions covered in Rules 5 and 10 is confusing</p> <p>Provided additional contract type where contracts do not apply i.e Qualifying Contracts between entities within the public sector and specify that guidance should be sought if in doubt</p>	<p>Propose re-position rule 5 to New Rule 9 so that users can reference the Exemptions section of CPRs in their entirety</p> <p>Propose insert detail</p>	<p>Old Rule 5 deleted and included at the List at New Rule 9.1.3</p> <p>New rule</p>	<p>CPRs</p> <p>CPRs</p>

SUGGESTED ADDITIONAL PROVISIONS				
DPS	Currently CPRs do not mention Dynamic Purchasing Systems	Incorporate in similar way to Framework Agreements (use and contract value)	Definition of DPS Added. Call Off Contract Definition amended. CPR Rule 6.3 amended Guidance to be incorporated into the Procurement Handbook	CPRs Handbook
Concession Contracts	To be referenced throughout CPRs		Definition of Concessions amended to link to further guidance in the Procurement Handbook	Handbook
Schools	CPRs don't address the application of the CPRs to Schools		Rule 1.5 Amended to include additional wording to clarify application of CPRs to Schools	CPRs
OTHER AMENDMENTS				
Number Referencing			Number referencing amended to reflect the removal of rules	CPRs
STaR Brand amended to revised STAR Brand				CPRs

Appendix 2: Proposed wording of revision to the Contract Procedure Rules

CPRs including local rules listed under Schedule One

Contents

1.	Introduction	3
2.	Interpretations and Definitions	5
3.	Basic Principles and Responsibilities	9
3.1	Basic Principles	9
3.2	The Responsibilities of Officers and Members	10
4.	Contracts to which these Rules do not apply	10
5.	Pre-procurement Process	11
5.1	Authority to carry out procurement activity	11
5.2	Appraisal of the procurement activity	11
5.3	Framework Agreements and DPS	12
5.4	Pre-Procurement Market Research and Consultation	13
5.5	Estimating the Total Value of a Contract, Framework Agreement or DPS	13
5.6	Standards and Award Criteria	16
6.	Quotes	16
6.1	Requests for Quotes	16
6.2	Submission and Receipt of Quotes	17
6.3	Amendments to Quotes	17
6.4	Evaluation of Quotes	18
6.5	Contract Award – through a Quotation Process	18
7.	Tenders	18
7.1	Invitations to Tender	18
7.2	Pre and Post Tender Clarification Procedures	20

7.3	Submission and Receipt of Tenders	20
7.4	Verifying and Opening Tenders	20
7.5	Amendments to Tenders	21
7.6	Evaluation of Tenders	21
7.7	Contract Award – through a Tender process	22
7.8	Enquiries about the Tender process	23
8.	Contract Provisions and Contract Formalities	24
8.1	Contract Provisions	24
8.2	Contract Formalities	25
8.3	Contracts under Seal	25
8.4	Transfer of Contracts	25
9.	Exemptions and Modifications	26
9.1	Exemptions	26
9.2	Procedure for Exemptions	27
9.3	Modifications to a Contract, Framework Agreement or DPS	28
9.4	Procedure for Modifications	30
10.	Declarations of Interest and Anti-Bribery and Corruption	31
11.	Contract Management	31
12.	Retaining Relevant Documents	32
	SCHEDULE 1	34

1. Introduction

- 1.1 Stockport Council, Trafford Council and Rochdale Council have agreed, through an Inter Authority Agreement (“IAA”) to facilitate the joint delivery of Procurement Functions with a view to the attainment of a more economical, efficient and effective discharge of its Procurement Functions via a shared procurement service to be identified as “STAR”. Each of the STAR members have agreed to establish and participate in a joint committee (the “Joint Committee”) and have agreed to delegate their Executive and Non-Executive functions relating to the operation of STAR to the Joint Committee. Other authorities may, from time to time, join the IAA.
- 1.2 These Rules are standing orders made pursuant to Section 135 of the Local Government Act 1972. Compliance with the Rules and observance of European and domestic law from which they emanate (in particular the principles relating to non-discrimination, equal treatment and transparency) is mandatory for all Officers and Members. The Rules ensure that procurement activity is undertaken in a legally compliant, transparent, fair and competitive manner.
- 1.3 Decisions relating to procurement are among the most important decisions that can be made by the Council its Members and Officers because the money involved is public money and the Council is concerned to ensure that high quality Goods, Services and the execution of Works are procured. Efficient use of resources in order to achieve Best Value is therefore an imperative.
- 1.4 These Rules shall apply to all procurement activity where the Council is to procure any Goods, Services or the execution of Works, or enters into a Concessions Contract as either a contracting authority or commissioner of such, regardless of the origin of funding (such as external grants, partnership funding, pooled or joint budgets for example).
- 1.5 For the avoidance of doubt, these Rules shall apply to Framework Agreements, DPS and to any arrangement made by, or on behalf of the Council (including Schools) for the carrying out of Works or for the supply of Goods or Services.
- 1.6 Where relevant, the Council shall have regard to the Public Services (Social Value) Act 2012 (“the Act”). This requires commissioners and procurers at the pre-procurement stage to consider how what is to be procured may improve social, environmental and economic well-being of the Council’s relevant area, how it might secure any such improvement and to consider the need to consult. The Council and Officers should refer to the Procurement Handbook for further guidance.

- 1.7 The Joint Committee shall monitor compliance with the Rules and undertake an annual review of the Rules. The Joint Committee may present recommendations for amendments to the Rules to the Council from time to time and any such amendments shall be subject to the Council's own ratification procedures. Any failure to comply with any of the provisions of these Rules must be reported immediately to the SRO for Legal. Failure by any Officer or Member to comply with the provisions of these Rules may lead to disciplinary action being taken against them.
- 1.8 These Rules must be read in conjunction with the Council's Constitution and in particular the Financial Procedure Rules/Regulations, , Procurement Handbook, any relevant guidance documents endorsed by the Council and the Council's local Rules as identified in section 1.9 below.
- 1.9 A number of local Rules can be found in the attached [Schedule 1](#) and which form part of these Rules.

Further Information

Further advice can be sought from STAR:

General Enquiries - email: procurement@STAR-procurement.gov.uk

tel: 0161 9121616

Legal Enquiries - email: STARlegal@trafford.gov.uk

tel: 0161 9124229

2. Interpretations and Definitions

- 2.1 In the event of any conflict between EU law, English law and these Rules and Council Policy, the requirements of EU law shall prevail over English law and the requirements of English law shall prevail over these Rules and Council Policy.
- 2.2 Any reference to legislation, primary or secondary, shall include any amendments/replacements made from time to time.
- 2.3 All figures specified in these Rules are exclusive of VAT.
- 2.4 In the event of any doubt as to the interpretation of these Rules, or as to proper procedure to be followed, advice should be sought from STAR in the first instance.
- 2.5 In these Rules the words and phrases below have the following meanings:

“APO”	means Authorised Procurement Officer and is the relevant STAR Officer who is responsible for the Goods, Services, execution of Works or Concessions Contract for which the Specification relates.
“ASO”	means Authorised Service Officer and is any Officer, within a directorate of the Council, who has delegated authority to undertake Procurement Functions.
“Best Value”	has the same meaning as that defined in the Local Government Act 1999 as amended from time to time.
“Bidder”	means any Economic Operator that submits a Quote.
“Call-off”	means an order made/call-off Contract entered into under a Framework Agreement or DPS and are subject to the application of Rule 5.1 .
“CM”	means the Category Manager or similar role with equivalent experience and seniority within STAR
“Concessions”	means the granting of a right (exclusive or otherwise) to an economic operator to exploit works or services provided for their own gain with or without payment. Further guidance on Concession Contracts can be found in the Procurement Handbook
“Contract”	means a legally binding agreement between the Council and the Contractor for the procurement by the Council of all Goods, Services, the execution of Works and which incorporates the terms and conditions under which the Goods, Services,

	execution of Works and Concessions will be provided.
“Contractor”	shall mean the Bidder or Tenderer who the Council enters into a Contract with following the submission of a Quote or Tender and who is appointed by the Council to provide the Goods, Services, execution of Works or Concessions Contract. They may also be referred to as ‘suppliers’, ‘providers’ or ‘service providers’ within certain Council departments.
“Contracts Finder”	means the web-based portal provided for the purposes of Part 4 of the Regulations by or on behalf of the Cabinet Office.
“DPS”	Means Dynamic Purchasing System which is an electronic system procured using the restricted procedure for the purchase of commonly used goods services or works which are generally available on the market and objectively defined to which all bidders who meet the requirements of the selection criteria must be admitted during the entire period of the validity of the system
“Economic Operator”	means any natural or legal person or public entity or group of such persons and/or entities, including any temporary association of undertakings, which offers the execution of Works and/or a work, the supply of Goods or the provision of Services on the market
“EIR”	means the Environmental Information Regulations 2004
“Electronic Purchasing System”	means purchases made online or via a telephone system
“EU Procurement Directives”	means the Public Contracts Directive 2014/24/EU, the Concessions Directive 2014/23/EU and other relevant Directives in force from time to time
“Exemption”	means the release of the obligation to comply with these Rules
“Financial Procedure Rules/Regulations”	means the written code of procedures forming part of the Council’s constitution which provide a framework for proper financial management and which set out the rules on accounting, audit, administrative procedures and budgeting systems.
“FOIA”	means the Freedom of Information Act 2000
“Framework Agreement”	means an agreement between one or more authorities and one or more economic operators, the

	purpose of which is to establish the terms governing Call-off Contracts to be awarded during a given period, in particular with regard to price and, where appropriate, the quantity envisaged.
“Goods”	means an inherently useful tangible item required by the Council, from time to time.
“Invitation to Tender”	means an invitation issued by the Council to Tenderers to submit a Tender or a quote for the provision of Goods, Services, the execution of Works or a Concessions Contract in accordance with the Specification or request for those Goods, Services, execution of Works or Concessions Contract.
“Key Decision”	has the same meaning as set out in the Council’s constitution
“Modification”	means any variation to a Contract, DPS or Framework Agreement, including an extension.
“Modification Form”	means the form supplied by STAR for the purpose of recording the authorisation of a Modification.
“Officer”	means any employee of the Council which shall include any person engaged by the Council to act as an agent or consultant on its behalf
“OJEU”	means the Official Journal of the European Union
“PID”	means a Procurement Initiation Document providing details of the procurement activity and the authority to commence it as required in accordance with Rule 6.1 .
“Post Tender Report”	means a summary of the outcomes delivered by the procurement activity
“PQQ”	means “pre-procurement questionnaire” and is the document used by the Council to screen potential Tenderers in accordance with the Regulations.
“Procurement Functions”	means the Delegated Functions as defined by the IAA
“Procurement Handbook”	means the document which STAR Procurement may issue after having obtained the consent of the SRO Legal of each authority from time to time to set out the procedure to achieve the Council’s procurement objectives
“Procurement Policy”	means the document which the Council may issue from time to time to set out how it will achieve its

	procurement objectives
“Purchasing Cards”	means charge cards which work in a similar way to credit cards and can be used by and ASO to purchase Goods and/or Services.
“Quote”	means a formal offer submitted by a Bidder to supply Goods, Services, execute Works or operate a Concessions Contract at a defined price
“Regulations”	means the Public Contracts Regulations 2006 SI2006/5, as amended or replaced from time to time, which implement the EU public procurement directives.
“Regulations Threshold”	means the financial threshold identified by the EU Procurement Directives, as amended from time to time, and where applicable, requires the procurement activity to be subject to the Regulations.
“Rules”	means these Contract Procedure Rules
“Scheme of Delegation”	means the scheme identified within the Council’s constitution which delegates powers and duties of the Council to Officers under Section 101 of the Local Government Act 1972 and all other powers enabling such delegation necessary for the discharge of the Council’s functions.
“SCM”	means the Senior Category Manager or similar role with equivalent experience and seniority within STAR
“Services”	means the time, effort and expertise required by the Council, from time to time, and supplied by a Contractor.
“Specification”	means the outputs, outcomes and the scope and nature of Goods, Services, execution of Works or Concessions Contract required by the Council from a procurement activity.
“SRO”	means “Senior Responsible Officer” and is the Officer delegated in the Council’s Scheme of Delegation for the relevant service with the responsibility for the award of the Contract.
“SRO for Legal”	means the “Senior Responsible Officer for Legal” and is the most senior Officer delegated in the Council’s Scheme of Delegation for Legal Services or in default of such delegation, the Council’s Monitoring Officer.

“SRO for Finance”	means the “Senior Responsible Officer for Finance” and is the most senior Officer delegated in the Council’s Scheme of Delegation for the Finance Services or in default of such delegation, the Officer appointed by the Council pursuant to s151 of the Local Government Act 1972.
“STAR Legal Officer”	means a member of the legal team jointly funded by all participating Council’s in accordance with the IAA, whose role is to provide legal support to STAR.
“STAR”	means the shared procurement service hosted by Trafford Borough Council on behalf of Trafford Borough Council, Rochdale Metropolitan Borough Council and Stockport Metropolitan Borough Council and other public authorities as determined from time to time whose function and remit is described in these Rules, the IAA and the Councils’ constitutions
“STAR Councils”	means those local authorities who have resolved to delegated their Procurement Functions to the STAR Joint Committee.
“Tender”	means a formal offer submitted by a Tenderer to the Council at a stated price in response to a Specification to supply Goods, Services, execute Works or operate a Concessions Contract.
“Tenderer”	means any Economic Operator that submits a Tender.
“The Chest”	means the Council’s eProcurement system.
“TUPE”	means the Transfer of Undertakings (Protection of Employment) Regulations 2006 as amended from time to time together with any EU Directives including but not limited to the Acquired Rights Directive 2001/23/EC, as amended from time to time.
“Value for Money”	means the optimum combination of whole-life costs, price, quality and benefits to meet the Council’s requirement. Such a term equates to the EU procurement requirement of most economically advantageous offer as well as the duty of Best Value as defined by the Local Government Act 1999 as amended from time to time.
“Works”	means the provision of physical activity which is directed toward the production or accomplishment of something by the Contractor, from time to time.

“Writing”

the requirement that any document should be in writing is satisfied where (apart from the usual meaning of that expression) the text of it is created and transmitted by electronic means, in legible form, and capable of being used for subsequent reference.

3. Basic Principles and Responsibilities

3.1 Basic Principles

3.1.1 All procurement activity must comply with all of the following principles of European Union (EU) Law:

- a. free movement of Goods and Services;
- b. non-discrimination;
- c. openness/transparency;
- d. equal treatment for all; and
- e. proportionality

3.1.2 All procurement activity must be compliant with the latest EU laws, national legislation, the Council Constitution and the local policies in [Schedule 1](#), and have regard to:

- a. **The need to achieve accountability** through effective mechanisms which enable Officers and Members of the Council to maintain the highest standards of integrity and honesty and to enable them to discharge their responsibility on issues of procurement risk and expenditure of public money;
- b. **The need to provide consistent procurement policy to suppliers and achieve competitive supply;**
- c. **The need to meet commercial, regulatory and Corporate Priorities of the Council;**
- d. **The need to achieve efficiencies** by administering procurement processes which are cost effective;
- e. **The need to ensure Value for Money**
- f. **The need to ensure fair-dealing** by ensuring that suppliers are treated fairly and without unfair discrimination, including protection of commercial confidentiality where compatible with the Council’s obligations under FOIA and EIR;
- g. **The need to maintain integrity** by excluding corruption or collusion with suppliers or others from procurement processes;
- h. **The need to ensure informed decision-making** based on accurate information;
- i. **The need to ensure legality** in the administration of procurement processes and award of contracts;

- j. **The need to promote responsiveness** by endeavouring to meet the aspirations, expectations and needs of the community served by the procurement processes;
- k. **The need to provide transparency** by ensuring that there is openness and clarity on the Council's procurement policy and its delivery.
- l. **The need to create and retain an audit trail in relation to each procurement activity**

3.2 The Responsibilities of Officers and Members

- 3.2.1 Officers and Members involved in procurement activity must comply with these Rules, the Council's Financial Procedure Rules/Regulations, the Council's Employees Code of Conduct/Members Code of Conduct. They must also have due regard to any guidance provided by STAR.
- 3.2.2 Officers must ensure that any agents, consultants and contractual partners acting on their behalf, also comply with these Rules.

4. Contracts to which these Rules do not apply

- 4.1 Where there is any doubt regarding the application of these Rules, Officers must seek guidance from STAR.
- 4.2 These Rules **do not** apply to the following:
 - a. employment contracts for Officers engaged on a PAYE basis;
 - b. Contracts relating solely to the disposal or acquisition of securities;
 - c. Contracts for the acquisition of an interest in land and property;
 - d. Contracts for the appointment of Counsel or the appointment of experts for the purpose of legal, or potential legal proceedings by the SRO for Legal Services;
 - e. **qualifying** Contracts between entities within the public sector.

5. Pre-Procurement Process

5.1 Authority to carry out procurement activity

- 5.1.1 The ASO must ensure that all necessary decisions have been made and that the correct authorisation to procure has been properly obtained prior to the initiation of any procurement activity. Any procurement activity carried out on behalf of the Council must be carried out by an ASO with the appropriate delegated authority as set out in the Scheme of Delegation. . The ASO may be required to provide evidence of any decisions made, any reports concerning and all authorisations granted in respect of the relevant procurement activity. The ASO must submit a PID to STaR prior to starting the

relevant procurement activity. By submitting the PID the ASO confirms that they have the authority to carry out the procurement activity.

5.2 Appraisal of the procurement activity

- 5.2.1 The ASO, together with the APO, must conduct an options appraisal of the route to market and consider the following:
- a. Value for Money;
 - b. The need for the expenditure and its priority;
 - c. The objectives of the purchase;
 - d. Whether it is a Key Decision
 - e. Any risks associated with the purchase and how to manage them;
 - f. The market;
 - g. TUPE and pensions;
 - h. Which procurement method is most likely to achieve the purchasing objectives;
 - i. Existing and compliant Framework Agreements, DPS or other arrangements; and
 - j. The economic, social and environmental wellbeing of the borough and the benefit which the procurement process can bring to the community and have regard to the duty to secure continuous improvement in accordance with Best Value.
- 5.2.2 Where award for a Contract for services may result in employees of the Council or its Contractor transferring to a new employer, the advice of the SRO for Human Resources and the SRO for Legal must be obtained before the commencement of the procurement activity to ensure compliance with TUPE, and other related legislation, and to assess the implications in respect of pension arrangements.
- 5.2.3 The APO must ensure that an appropriate Specification or request for a Quote commensurate to the scope of the Goods, Services, execution of Works or Concessions Contract required is written prior to the commencement of any procurement activity. Advice from STAR must be sought where it is proposed that a Specification or request for a Quote is not used.
- 5.2.4 For procurement under the Regulations Thresholds, the use of PQQs is no longer permitted by the Regulations. However, the Regulations do permit the use of suitability assessment questions where they are relevant to the subject matter of the procurement and are proportionate. Further guidance on suitability assessment questions may be sought from STAR but in any event, advice must be sought from STAR where it is proposed that such questions are to be used.

5.3 Framework Agreements and DPS

5.3.1 Where, following an options appraisal as required by [Rule 5.2](#), a suitable Framework Agreement or DPS is identified, the requirements of Rule 6 (Quotes) and Rule 7 (Tenders) will not be applicable and the ASO must ensure that:

- a. Any Call-off Contract is entered into in accordance with the terms of the relevant Framework Agreement or DPS; and
- b. Where applicable, a mini-competition (the tender process required by the Framework Agreement) is held in accordance with rules of the Framework Agreement or DPS.

5.3.2 For the avoidance of doubt, a Framework Agreement or DPS is considered suitable where it has either been entered into by:

- a. the Council in compliance with these Rules; or
- b. another local authority, a local authority purchasing consortium or central government where the Framework Agreement or DPS has been tendered and awarded in accordance with EU public procurement legislation, and the Council is identified as a contracting authority.

5.3.3 Where a Framework Agreement or DPS has been set up following an EU Tender, there must be full compliance with EU rules when awarding Call-off Contracts under it.

5.4 Pre-Procurement Market Research and Consultation

5.4.1 The ASO and APO responsible for the procurement activity:

- a. may consult potential Bidders or Tenderers in general terms about the nature, level and standard of the supply, contract packaging and other relevant matters, prior to a request for a Quote or an Invitation to Tender provided this does not prejudice any potential Bidders or Tenderers; and
- b. must not seek or accept technical advice on the preparation of a request for a Quote or an Invitation to Tender from anyone who may have a commercial interest in the tender, as this may prejudice the equal treatment of all potential Bidders and Tenderers or distort competition.

Advice must be sought from STAR in all instances.

5.5 Estimating the Total Value of a Contract, Framework Agreement or DPS

5.5.1 Officers must calculate the total value of the Contract, DPS or Framework Agreement in order to determine which procurement activities should be commenced in accordance with these Rules. The procurement activity that must be followed is prescribed in Table 1 below.

5.5.2 The Council must not split Contracts, DPS or Framework Agreements in order to avoid public procurement rules or calculate the value of the Contract, DPS or Framework Agreement in such a way as to deliberately avoid exceeding the Regulation Thresholds or any threshold identified in these Rules. Therefore, unless otherwise agreed by the SRO Legal all Contracts, DPS or Framework Agreements should be dealt with according to their total value and all Officers must calculate the total value (excluding VAT) of any Contract. The value of a Contract, DPS or Framework Agreement should be calculated as follows and applies to the aggregate value of the Contract, DPS or Framework Agreement:

Yearly contract value X Contract Period in years (including any option to extend) = Total value.

5.5.3 The value of a Framework Agreement and DPS means the maximum estimated amount payable by the users of the Framework Agreement or DPS for the Goods, Services or execution of Works (excluding VAT) under Call-off Contracts entered into over the entire possible duration of the Framework Agreement or DPS.

5.5.4 Framework Agreements must not be for more than four years (including options to extend) unless otherwise authorised by the SRO for Legal.

5.5.5 The value of the Contract, DPS or Framework Agreement will determine which procurement activity to follow in accordance with Table 1 below subject to Rules 5.5.6 and 5.5.7:

Table 1: Procurement ActivitiesGoods, Services and Concessions

Value Band	Value	Procurement Activity	Minimum Requirement for advertising the opportunity
A	£0 - £4,999.99	Minimum one Quote in accordance with Rule 6 - Quotes	N/A*
B	£5,000 - £49,999.99	Minimum three Quotes in accordance with Rule 6 - Quotes	N/A*
		In accordance with Rule 7 – Tenders	The Chest (and Contracts Finder over £25k)
C	£50,000 and up to the Regulation Thresholds	In accordance with Rule 7 - Tenders	The Chest and Contracts Finder
D	Above the Regulation Thresholds	Most appropriate procedure permitted by the Regulations	OJEU Notice and Contracts Finder

Works and Public Works Concessions

A	Value	Procurement Activity	Minimum Requirement for advertising the opportunity
B	£0 - £4,999.99	Minimum one Quote in accordance with Rule 6 - Quotes	N/A*
	£5,000 - £74,999.99	Minimum three Quotes in accordance with Rule 6 - Quotes	N/A*

C	£75,000 - £249,999.99	Minimum six Quotes in accordance with Rule 6 – Quotes	N/A*
		In accordance with Rule 7 – Tenders	The Chest and Contracts Finder
D	£250,000 up to the Regulation Thresholds	In accordance with Rule 7 - Tenders	The Chest and Contracts Finder
E	Above the Regulation Thresholds	Most appropriate procedure permitted by the Regulations	OJEU notice and Contracts Finder

***WHERE ANY OPPORTUNITY OVER £25K IS OPENLY ADVERTISED, IT MUST BE PLACED ON CONTRACTS FINDER**

5.5.6 Where the Contract value falls within Value B or D for Goods, Services and Concession Contracts or Value Band C or E for Works and Public Works Concession Contracts, the ASO shall determine which procurement activities should be undertaken by reference to the Procurement Handbook.

5.5.7 Where the value of the Contract is above the Regulation Thresholds, the ASO and the APO will determine which procurement activity to follow in accordance with the Regulations.

5.5.8 Irrespective of the value in Rule 5.5.5 Contracts and Framework Agreements that are subject to European Union grant funding requirements shall be advertised in accordance with published guidance, ERDF National Procurement Requirements (ERDF-GN-1-004) as amended from time to time.

5.5.9 The ASO and APO shall ensure that, where proposed Contracts or Framework Agreements, irrespective of their value, might be of interest to potential Economic Operators located in other member states of the European Union, a sufficiently accessible advertisement is published.

5.6 Standards and Award Criteria

5.6.1 Before inviting Quotes or Tenders, the ASO, with support from the APO, must ascertain any relevant British, European or international standards which apply to the subject matter of the Contract. The ASO must include those standards or equivalent where they are necessary to describe the required quality. In any instances of uncertainty, STAR can be consulted if it is proposed to use standards other than European standards.

5.6.2 The ASO must define award criteria that is appropriate to the procurement activity and designed to secure an outcome giving Value for Money for the Council. The basic award criteria shall include one of the following:

- a. Most economically advantageous tender (“MEAT”) - where considerations other than price also apply;
- b. Lowest price - where payment is to be made by the Council;
- c. Highest price - if payment is to be received.

If MEAT is the chosen award criteria, advice must be obtained from STAR to ensure that it is compatible with the EU Directives and the Regulations.

5.6.3 The ASO must seek advice from STAR to ensure any award criteria are compliant with relevant legislation and best practice.

6. Quotes

6.1 Requests for Quotes

6.1.1 All Quotes, including those in mini-competitions under Framework Agreements, must be confirmed in writing before a decision to award can be made and all Quotes must be stored on The Chest.

6.1.2 When requesting a Quote, an appropriate description of the Goods, Services, execution of Works or Concessions (commensurate with the value of the Contract) setting out the Council’s requirements in sufficient detail must be provided to prospective Bidders to enable the submission of competitive Quotes.

6.1.3 The request for a Quote shall also make reference to or include the following as a minimum:

- a. the terms and conditions of Contract that will apply; and
- b. notification that Quotes are submitted to the Council on the basis that they are compiled at the Bidder’s expense; and
- c. a description of the award criteria as appropriate and in accordance with [Rule 5.6](#); and

- d. the date and time by which a Quote is to be submitted by; and
- e. that the Council is not bound to accept any Quotes submitted.

6.1.4 The proposed form of Contract must comply with [Rule 8](#) and where possible the Council's standard terms and conditions of Contract must be used. Advice must be sought from a STAR Legal Officer and approval given by the SRO for Legal where alternative terms and conditions are used.

6.1.5 Where requests for a Quote are sought from more than one prospective Bidder, where possible, the request must be sent to each Bidder at the same time and contain the same conditions. Any supplementary information must be given on the same basis.

6.2 Submission and Receipt of Quotes

6.2.1 Bidders must be given a reasonable period in which to prepare and submit a proper Quote, consistent with the complexity of the Contract requirement.

6.2.2 In the event that an abnormally low Quote is received, the ASO must take advice from STAR on how to proceed.

6.2.3 Any Quote (including all associated documents) submitted after the specified date and time for submission of Quotes shall only be accepted or considered by the Council in exceptional circumstances and only with agreement from the SRO for Legal Services.

6.2.4 If fewer than the minimum number of Quotes is received as stipulated in Table 1 in [Rule 5.5](#), then advice must be sought from the Director of Procurement (STAR) as to whether to proceed. Any decision must be recorded in writing and stored on The Chest.

6.3 Amendments to Quotes

6.3.1 The Council may accept amendments to Quotes, including those in mini-competitions under Framework Agreements, providing they are received prior to the closing date for submissions. In such circumstances, any alterations must be made by resubmitting a new Quote and clearly highlighting which Quote (and associated documents) is correct and which should be considered as part of the procurement activity.

6.3.2 A Quote may be amended after the closing date for submission if the amendment is made only in order to correct an arithmetical error. Such amendments may only be made with the prior approval of the Director of Procurement (STAR).

6.4 Evaluation of Quotes

6.4.1 All compliant Quotes, including those in mini-competitions under Framework Agreements, must be checked by the ASO to ensure they are arithmetically correct. The ASO may seek advice from STAR if there is any doubt. If arithmetical errors are found they should be notified to the Bidder, who should be requested to confirm or withdraw their Quote. Alternatively, if the rates in the Quote prevail over the overall price, an amended Quote may be requested to accord with the rates given by the Tenderer.

6.4.2 Where MEAT is used as the award criteria, all evaluations including an explanation of the reasons for the scores should be recorded on The Chest. The ASO must then confirm to STAR that the Contract can be awarded in accordance with [Rule 6.5](#) by updating the PID.

6.4.3 Officers must ensure transparency and fairness during the evaluation process.

6.5 Contract Award – through a Quotation Process

6.5.1 The Contract will be awarded in accordance with the award criteria used.

6.5.2 Where the Quote is not within the relevant approved budget but additional budgetary provision is available, the relevant ASO, with the approval of the SRO for Finance, may accept the Quote ensuring compliance with the Financial Procedure Rules/Regulations.

6.5.3 The approval to award the Contract must be given in accordance with the Council's Scheme of Delegation.

6.5.4 All award decisions must be recorded in the PID, signed and dated by the ASO, the APO and the SRO for the relevant service.

6.5.5 Once the decision has been made and the approval given to award the Contract, the ASO must send a Contract award letter to the winning Bidder(s).

6.5.6 Prior to commencement of the Contract, the Contract must be completed in accordance with [Rule 8.2](#) unless Rule 82.5 applies.

- 6.5.7 STAR will, where necessary, advise on the formalities for completion of the contract by parties other than the Council and how to ensure that the Contract is legally binding.

7. Tenders

7.1 Invitations to Tender

- 7.1.1 All Tender opportunities must be placed on The Chest and, where appropriate, Contracts Finder in accordance with Table 1 at [Rule 5.5](#).

- 7.1.2 The Invitation to Tender, shall include the following where appropriate:

- a. A form upon which the Tenderer can provide details of its bid (“Form of Tender”);
- b. A reference to the Council’s ability to award in whole, in part or not at all;
- c. A Specification that describes the Council’s requirements in sufficient detail to enable the submission of competitive offers;
- d. the terms and conditions of Contract that will apply;
- e. A requirement for Tenderers to declare that the Tender content, price or any other figure or particulars concerning the Tender have not been disclosed by the Tenderer to any other party (except where such a disclosure is made in confidence for a necessary purpose);
- f. A requirement for Tenderers to fully complete and sign all Tender documents including the Form of Tender and certificates relating to canvassing and non-collusion;
- g. Notification that Tenders are submitted to the Council on the basis that they are compiled at the Tenderer’s expense;
- h. A description of the award procedure and the evaluation criteria to be used to assess Tenders including any weightings as considered appropriate and in accordance with [Rule 5.6](#). The evaluation criteria must be clear, concise and unambiguous and must be approved by the APO in consultation with the ASO. The evaluation criteria cannot be amended once published in the Invitation to Tender;
- i. The method by which any arithmetical errors discovered in the submitted Tenders are to be dealt with and in particular, whether the overall price prevails over the rates in the Tender or vice versa;
- j. Whether the Council is of the view that TUPE will be applicable in relation to the procurement activities;
- k. Whether additional arrangements will be required in relation to pension provision;
- l. Provisions relating to the Council’s termination rights in the event that corruption is discovered;
- m. The relevance and application of any parent company guarantees and/or bonds;
- n. That the Council is not bound to accept Tenders; and
- o. Any matters required by local polices in [Schedule 1](#).

7.1.3 The proposed form of Contract must comply with [Rule 8](#) and where possible the Council's standard terms and conditions of Contract must be used. Advice must be sought from the STAR Legal Officer and approval given by the SRO for Legal where alternative terms and conditions are used.

7.1.4 All Tenderers invited to Tender must be issued with the same information at the same time and contain the same conditions. Any supplementary information must be given on the same basis.

7.1.5 All communications relating to Tenders must be recorded on The Chest.

7.2 Pre and Post Tender Clarification Procedures

7.2.1 Providing pre-Tender clarification to potential or actual Tenderers, or seeking clarification of a Tender, is permitted subject to Rule 7.2.3.

7.2.2 Post-tender clarification may be undertaken with Tenderers only where it is essential in order to be completely clear about any fundamental aspect of the Tender submission before the completion of the Tender evaluation process and subject to Rule 7.2.3.

7.2.3 All pre- and post- tender communication must be conducted either in writing or in a meeting recorded by the ASO or APO. All correspondence or meetings must be documented and retained on The Chest. Where a meeting is required, there must always be more than one Officer present.

7.2.4 At all times during the clarification process, the Council shall consider and implement the principles of non-discrimination, equal treatment and transparency.

7.2.5 Unless otherwise permitted by the Regulations, in no circumstances are post-award negotiations permitted.

7.3 Submission and Receipt of Tenders

7.3.1 Tenderers must be given a reasonable period in which to prepare and submit a proper Tender, consistent with the complexity of the Contract requirement and in accordance with the Regulations.

7.3.2 Any Tender (including all associated documents) submitted after the specified date and time for submission of Tenders shall only be accepted or considered by the Council in exceptional circumstances and only with agreement from the SRO for Legal Services.

7.3.3 All Tenders received, including those in mini-competitions under Framework Agreements, must remain unopened until the specified closing date and time has passed.

7.3.4 If less than the minimum number of Tenders is received as stipulated in Table 1 in [Rule 5.5](#), then advice must be sought from the Director of Procurement (STAR) on how to proceed. Any decision must be recorded in writing and stored on The Chest.

7.4 Verifying and Opening Tenders

7.4.1 Tenders are to be verified by an APO who is independent of the procurement activity to which the Tender relates.

7.4.2 Once verified, Tenders are to be opened in accordance with the following Table 2:

Table 2

Value of Contract	Officers required to be present:	Expected Duration
£0 - £49,999.99	APO	Within 2 working days of the deadline for submission
£50,000 and above	CM or SCM	Within 2 working days of the deadline for submission

7.5 Amendments to Tenders

7.5.1 The Council may accept amendments to Tender submissions, including those in mini-competitions under Framework Agreements, providing they are received prior to the closing date for submissions.

7.5.2 A Tender may be amended after the closing date for submission if the amendment is made only in order to correct an arithmetical error. Such amendments may only be made with the prior approval of the Director of Procurement (STAR).

7.6 Evaluation of Tenders

- 7.6.1 If a PQQ or an expression of interest prior to PQQ was used, all those Tenderers must be given feedback at the relevant stage.
- 7.6.2 In the event that an abnormally low Tender is received, the ASO must take advice from STAR on how to proceed.
- 7.6.3 All compliant Tenders, including those in mini-competitions under Framework Agreements, must be checked by the ASO and the APO to ensure they are arithmetically correct. If arithmetical errors are found they should be notified to the Tenderer, who should be requested to confirm or withdraw their Tender. Alternatively, if the rates in the Tender prevail over the overall price, an amended Tender price may be requested to accord with the rates given by the Tenderer.
- 7.6.4 Where MEAT is used as the award criteria, all evaluations including an explanation of the reasons for the scores should be recorded on The Chest. The ASO must then confirm to STAR that the Contract can be awarded by updating the PID.
- 7.6.5 Officers must ensure transparency and fairness during the evaluation process.

7.7 Contract Award – through a Tender process

- 7.7.1 The winning Tender shall be awarded the Contract in accordance with the award criteria used.
- 7.7.2 Where the Tender is not within the relevant approved budget but additional budgetary provision is available, the relevant ASO, with the approval of the SRO for Finance, may accept the Tender ensuring compliance with the Financial Procedure Rules/Regulations.
- 7.7.3 The approval to award the Contract must be given in accordance with the Council's Scheme of Delegation.
- 7.7.4 All award decisions must be recorded in the PID, signed and dated by the ASO, the APO and the SRO for the relevant service.

- 7.7.5 A Contract which has a contract value above the Regulation Thresholds, can only be awarded after a notice of the proposed award has been given to all unsuccessful Tenderers and the 10 day standstill period has elapsed from the date the notice was given. If the 10 days expire on a non-working day, then the notice period will be deemed to have lapsed on the next working day.
- 7.7.6 Once the decision to award a Contract is made, each Tenderer must be notified by either the ASO or the APO in writing of the outcome. All Tenderers must be notified simultaneously and as soon as possible of the intention to award the Contract to the successful Tenderer(s) and this should be done via The Chest. The letters must include a description of the relative advantages of the successful Tenderer.
- 7.7.7 Prior to commencement of the Contract, the Contract must be completed in accordance with [Rule 8.2](#) unless Rule 8.2.5 applies.
- 7.7.8 A STAR Legal Officer will, where necessary, advise on the formalities for completion of the contract by parties other than the Council and how to ensure that the Contract is legally binding.
- 7.7.9 The APO must publish a contract award notice in the OJEU and on the Council's website no later than 48 days after the date of award of the Contract where a Contract value exceeds the Regulation Threshold and has been tendered pursuant to the Regulations or is subject to the relevant provision of the Regulations relating to Contract award.
- 7.7.10 Contract award letters, feedback to Tenderers and the contract Terms and Conditions, including any incidental documentation must be approved by the APO prior to sending where the value of the Contract is over the Regulation Thresholds.

7.8 Enquiries about the Tender process

- 7.8.1 The confidentiality of Tenders and the identity of Tenderers must be preserved at all times insofar as this is compatible with the Councils' obligations under FOIA and EIR.
- 7.8.2 If the Council receives a request for information under the FOIA as a result of the de-briefing process, the request must be referred to both the Director of Procurement (STAR) and the relevant Officer of

the Council who deals with such requests. The Council will be responsible for responding to the request.

- 7.8.3 Any challenges, complaints or requests for feedback, clarification or further information must be referred to the Director of Procurement (STAR) who will advise on how to respond and notify the SRO for Legal.

8. Contract Provisions and Contract Formalities

8.1 Contract Provisions

- 8.1.1 All Contracts must be in writing and must set out the parties' obligations, rights and risk allocations. Advice must be sought from STAR as to the appropriate form of Contract to be used and where possible, be on the Council's standard terms and conditions.
- 8.1.2 All Contracts, irrespective of value, shall, where appropriate, clearly specify as a minimum:
- a. What is to be supplied (i.e. the Works, materials, services, matters or things to be furnished, had or done)
 - b. The provisions for payment (i.e. the price to be paid and when)
 - c. The time, or times, within which the contract is to be performed
 - d. The provisions for the Council to terminate the Contract and break clauses.
 - e. The provision for collateral warranties from sub-contractors.
- 8.1.3 STAR can provide advice on Contract specific terms and conditions.

8.2 Contract Formalities

- 8.2.1 Once a decision to award has been made in accordance with Rule 6.5.3 or 7.7.3, the Contract must either be signed by the Officer authorised to award the Contract under the Council's Scheme of Delegation, or signed by the SRO for Legal, or sealed in accordance with Rule 9.3.2.
- 8.2.2 Where the Contract is to be in writing, the ASO or APO must arrange for the Contract including all schedules and appendices to be signed by all parties. This can be done in two ways:
- a) Sending bound hard copies of the Contract to the winning Bidder(s) or Tenderer(s) for signing; or
 - b) Sending electronic copies of the Contract to the winning Bidder(s) or Tenderer(s) for printing, binding and signing.

- 8.2.3 Before arranging for the Contract to be signed or sealed on behalf of the Council, the ASO must check that the returned signed Contract has not been amended or altered by the winning Bidder(s) or Tenderer(s) without prior written agreement by the Council.
- 8.2.4 Rules 8.2.1 to 8.2.3 do not apply to purchases made through an Electronic Purchasing System (EPS).
- 8.2.5 All Contracts which are to be formally completed in writing must be completed before the Goods are supplied, or the Service, execution of Works or Concessions Contract begins, except in exceptional circumstances, and then only with the prior approval from the SRO for Legal.
- 8.2.6 A purchase order must be raised in the appropriate eProcurement system for all goods, services and works requirements to be acquired through an EPS and for all Contracts. The purchase order must attach the terms and conditions of Contract between the Council and the Contractor.
- 8.2.7 The ASO must ensure that the person signing on behalf of the Contractor has requisite legal authority to bind the Contractor. Where there is any doubt, the ASO must seek advice from the STAR Legal Officer.

8.3 **Contracts under Seal**

- 8.3.1 A Contract must be sealed where:
- a. The Council wishes to extend the liability period under the Contract and enforce its terms for up to 12 years; or
 - b. The price to be paid or received under the Contract is a nominal price and does not reflect the value of the goods or services; or
 - c. There is any doubt about the authority of the person signing for the other contracting party; or
 - d. The Contract value is £250,000 or above.
- 8.3.2 The seal must be affixed in accordance with the provisions of the Council's Constitution.

8.4 **Transfer of Contracts**

- 8.4.1 No Contract should be transferred from one Contractor to another without first consulting STAR. Contracts can only be transferred if approved in accordance with the table below:

Value of Contract/Quote	Decision Maker
All values	SRO for Finance and SRO for Legal or their nominees in accordance with the Council's Scheme of Delegation and consultation in with the Director of Procurement (STAR)

9. Exemptions and Modifications

9.1 Exemptions

9.1.1 In limited circumstances, it may be necessary to seek an Exemption from the Rules and guidance from STAR must be sought before any procurement activity commences.

9.1.2 An Exemption cannot be given where this would contravene the Regulations.

9.1.3 Exemptions will only be considered in exceptional circumstances. Examples of circumstances which may be considered exceptional could include the following:

- a. The arrangement is a permitted exemption from the requirement for competition contained in European or domestic legislation;
- b. To comply with legal requirements;
- c. The Contract is for Goods, Services or the execution of Works which are required in circumstances of extreme urgency or unforeseeable emergency involving risks to persons, property or serious disruption to Council services;
- d. Repairs or parts — if the only option is to repair or buy new parts for existing equipment or buildings, and there is only one supplier;
- e. Where a Service review includes the intention to co-terminate relevant Contracts;
- f. Proprietary or patented goods or services are proposed to be purchased which, in the opinion of the ASO, are only obtainable from one person, and it can be demonstrated that no reasonably satisfactory alternative to those proprietary or patented goods is available; or
- g. The ASO can demonstrate that no genuine competition can be obtained in respect of the purchase of particular Goods, Services or execution of Works; or
- h. The ASO is satisfied that the Services or execution of Works are of such a specialist nature that they can only be carried out by one person (e.g. statutory undertakers); or

- i. Goods are proposed to be purchased by or on behalf of the Council at a public auction; or
- j. Goods or Services are proposed to be purchased which are of a specialist or unique nature (such as antiques for museums or a particular performance artist); or
- k. Any other exceptional circumstances.

9.2 Procedure for Exemptions

- 9.2.1 To apply for an Exemption the ASO must fill in the Exemption Form and submit it to the STAR for consideration and recommendation. This Exemption Form must then be signed (electronically or by hand) in accordance with the table below (unless Rule 9.2.2 applies).

Value of Contract/Quote	Decision Maker
All values	SRO for Finance and SRO for Legal or their nominees in accordance with the Council's Scheme of Delegation and in consultation with the Director of Procurement (STAR)

- 9.2.2 If an Exemption requires a Key Decision, then that Key Decision must be made in accordance with the Council's Constitution. Guidance from STAR must be sought if there is any doubt as to whether a decision is a Key Decision.
- 9.2.3 The ASO must ensure that the Exemption Form provides full details of the request and any supplementary documentation to support the request.
- 9.2.4 No commitment should be made to a potential Contractor prior to authorisation.
- 9.2.5 The Director of Procurement (STAR) is responsible for ensuring a complete record of all Exemptions. A record of the decision approving an Exemption and the reasons for it must be stored electronically on The Chest.
- 9.2.6 In circumstances of extreme urgency, the relevant decision maker in 9.2.1 above may authorise an Exemption in writing without the need to complete an Exemption Form. The written authorisation

provided in accordance with this Rule 9.2.6 must be submitted to STAR to be stored electronically on The Chest.

- 9.2.7 The ASO, in conjunction with STAR and a STAR Legal Officer, shall ensure that the Contract terms and conditions are appropriate taking into account all relevant factors (such as benefit and risk to the Council) and ensure that the Contract complies with Rule 8

9.3 Modifications to a Contract or Framework Agreement

9.3.1 Contracts and Framework Agreements may be modified during their term without a new procurement procedure in accordance with this Rule 9.3 in any of the following cases:

- (a) where the Modifications, irrespective of their monetary value, have been provided for in the initial procurement documents in clear, precise and unequivocal review clauses, which may include price revision clauses or options, provided that such clauses
 - (i) state the scope and nature of possible modifications or options as well as the conditions under which they may be used, and
 - (ii) do not provide for modifications or options that would alter the overall nature of the Contract or the Framework agreement;
- (b) for additional works, services or supplies by the original contractor that have become necessary and were not included in the initial procurement, where a change of contractor:
 - (i) cannot be made for economic or technical reasons such as requirements of interchangeability or interoperability with existing equipment, services or installations procured under the initial procurement, or
 - (ii) would cause significant inconvenience or substantial duplication of costs for the Council,

provided that any increase in price does not exceed 50% of the value of the original Contract or Framework Agreement;
- (c) where all of the following conditions are fulfilled:
 - (i) the need for Modification has been brought about by circumstances which a diligent Council could not have foreseen;
 - (ii) the modification does not alter the overall nature of the Contract or Framework Agreement;
 - (iii) any increase in price does not exceed 50% of the value of the original Contract or Framework Agreement.

- (d) where a new Contractor replaces the one to which the Council had initially awarded the Contract or Framework Agreement as a consequence of:
 - (i) an unequivocal review clause or option in conformity with sub-paragraph (a), or
 - (ii) universal or partial succession into the position of the initial contractor, following corporate restructuring, including takeover, merger, acquisition or insolvency, of another economic operator that fulfils the criteria for qualitative selection initially established, provided that this does not entail other substantial modifications to the contract and is not aimed at circumventing the application of the Regulations;
- (e) where the Modifications, irrespective of their value, are not substantial within the meaning of Rule 9.3.5; or
- (f) where Rule 9.3.3 applies.

9.3.2 Where several successive Modifications are made:—

- (a) the limitations imposed by the proviso at the end of Rule 9.3.1 (b) and by Rule 9.3.1 (c)(iii) shall apply to the value of each Modification; and
- (b) such successive Modifications shall not be aimed at circumventing the Regulations.

9.3.3 This Rule 9.3.3 applies where the value of the Modification is below both of the following values:

- (a) the relevant OJEU Threshold and
- (b) 10% of the initial Contract or Framework Agreement value for service and supply Contract or Framework Agreement and 15% of the initial Contract or Framework Agreement value for works contracts,

provided that the Modification does not alter the overall nature of the Contract or Framework Agreement

9.3.4 For the purposes of Rule 9.3.3 where several successive Modifications are made, the value shall be the net cumulative value of the successive modifications.

9.3.5 A Modification of a Contract or a Framework agreement during its term shall be considered substantial for the purposes of Rule 9.3.1(e) where one or more of the following conditions is met:

- (a) the Modification renders the Contract or Framework Agreement materially different in character from the one initially concluded;
- (b) the Modification introduces conditions which, had they been part of the initial procurement procedure, would have:
 - (i) allowed for the admission of other Tenderer than those initially selected,
 - (ii) allowed for the acceptance of a Tender other than that originally accepted, or
 - (iii) attracted additional participants in the procurement procedure;
- (c) the Modification changes the economic balance of the Contract or Framework Agreement in favour of the Contractor in a manner which was not provided for in the initial Contract or Framework Agreement; or
- (d) the Modification extends the scope of the Contract or Framework Agreement considerably;
- (e) a new Contractor replaces the one to which the Council had initially awarded the Contract or Framework Agreement in cases other than those provided for in paragraph Rule 9.3.1(d).

9.3.6 For the avoidance of any doubt, an extension of the term of a Contract or Framework Agreement should be treated as a Modification where the original Contract or Framework Agreement make provisions for such an extension of term;

- (a) a Contract or Framework Agreement term should not be automatically extended where the Contract or Framework Agreement contains provisions to extend the term, Further guidance on extensions of terms should be sought by reference to the Procurement Handbook and STAR.

9.4 Procedure for Modifications

9.4.1 To apply for a Modification the ASO must fill in the Modification Form and submit it to the STAR for consideration and recommendation. This Modification Form must then be signed (electronically or by hand) in accordance with the table below.

Value of Contract/Quote	Decision Maker
All values	SRO for Finance and SRO for Legal or their nominees in accordance with the Council's Scheme of Delegation and in

	consultation with the Director of Procurement (STAR)
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9.4.2 The ASO must ensure that the Modification Form provides full details of the request and any supplementary documentation to support the request.

9.4.3 No commitment should be made to a potential Contractor prior to authorisation.

9.4.4 The Director of Procurement (STAR) is responsible for ensuring a complete record of all Modifications is kept and a record of the decision approving a Modification and the reasons for it must be submitted to STAR to be stored electronically on The Chest.

10. Declarations of Interest and Anti-Bribery and Corruption

10.1 The Council's reputation with regards to procurement activity is important and should be safeguarded from any imputation of dishonesty or corruption. All elected Members of the Council and Officers are reminded of their responsibilities in relation to gifts, hospitality and any conflicts of interest and should ensure they comply with the obligations set out in the Council's Members' Code of Conduct and the Officers' Code of Conduct respectively and any other relevant policies, guidance or strategies relating to bribery, fraud and corruption issued or endorsed by the Council from time to time

10.2 Any Officer or Member must declare any interest which could influence their judgement in relation to procurement activity in accordance with the Council's Codes of Conduct.

10.3 No gifts or hospitality should be accepted from any Bidders or Tenderers involved in procurement activity except in accordance with the Council's Codes of Conduct.

11. Contract Management

11.1 All Contracts must have a Council Contract Manager ("Contract Manager") for the entirety of the Contract. In the event that there is no named Contract Manager the ASO will fulfil the role of Contract Manager.

- 11.2 The Contract Manager will be responsible for reviewing monitoring and evaluating the contract to ensure that its provisions and the services within it are being followed and performed as they should be.
- 11.3 During the life of the Contract, the Contract Manager should monitor the Contract in respect to the following:
- a. Performance (against agreed KPIs where relevant);
 - b. Compliance with specification and contract;
 - c. Cost;
 - d. Any Best Value duties ;
 - e. Continuous Improvement;
 - f. User satisfaction; and
 - g. Risk management.
- 11.4 Where the Contract is to be re-let, this information should be available early enough to inform the approach to re-letting the next contract.
- 11.5 STAR can provide advice and support on good practice in performance management of Contracts.
- 11.6 All Contracts must be included and published on the Contracts Register maintained by STAR in line with the Local Government Transparency Code 2014. This is a mandatory requirement and it is the responsibility of the SRO for each Service to ensure that they have informed STAR of the Contracts they are responsible for and provided them with the information necessary to update the Contracts Register accordingly.

12. Retaining Relevant Documents

- 12.1 All records in relation to the award of Contracts and the associated procurement process, including supporting documentation, shall be stored by STAR in an electronic filing system to be available for inspection by the Council's internal and external auditors, or Officer, immediately upon request. Records will be retained in accordance with relevant regulations applicable to electronic record retention.
- 12.2 Hard copies of all written contracts shall be retained as follows:

Contracts with a value between £5,000 and £249,999.99	for six years after the end of the Contract
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all sealed Contracts and Contracts with a value of £250,000 and above	for twelve years after the end of the Contract
Contracts that are grant funded regardless of value	Must comply with retention period above or the terms and conditions of the grant, whichever is the longer

- 12.3 If legislation related to any individual Contract stipulates a longer retention period than this, then the legislation requirements takes precedence over the Council's minimum periods.
- 12.4 Once executed, the Council shall retain one original of the complete Contract documents in line with the timescales in the table above and one copy of the complete Contract documents shall be provided to the Contractor.

SCHEDULE 1

Local arrangements for Trafford Council

There are no local arrangements.

TRAFFORD COUNCIL

Report to: Council
Date: 6 September 2016
Report for: Information
Report of: Chairman – Scrutiny Committee and Health Scrutiny Committee

Report Title

Annual Scrutiny Report 2015/16

Summary

The Scrutiny Committees are required to present an annual report to the Council on the previous year's work and their work programme for the year ahead. The report covers

- Scrutiny Committee
- Health Scrutiny Committee

Recommendation(s)

That the report be noted.

Contact person for access to background papers and further information:

Name: Peter Forrester
Extension: 1815

Background Papers

None

Background Information

Relationship to Corporate Priorities	The Scrutiny Committees consider issues in accordance with the Corporate priorities
Financial	None
Legal Implications	The report is in accordance with the Council's constitutional requirement for Scrutiny Committees to submit an annual report to Council.
Equality/Diversity Implications	None
Sustainability Implications	None
Staffing/E-Government/Asset Management Implications	None
Risk Management Implications	None
Health and Safety Implications	None

Report of the Scrutiny Committee

1. During 2015/16, the Scrutiny Committee met on six separate occasions. Many topics were discussed at these meetings, including Home to School Transport, the continued assessment of the One Trafford Partnership, and the Provision of Leisure within Trafford.
2. One of the six meetings was a special meeting to consider the call-in of and Executive Decision on the Review of In-House Children's Homes. The meeting took place on 16 March 2016, and following the Committee's consideration, the call in was not upheld.
3. There were two other call-in requests made during the 2015/16 municipal year. One was rejected by the Chairman, and the other was withdrawn following discussions between the Vice-Chairman of the Scrutiny Committee and the Executive Member. The original Executive decision was withdrawn and was reconsidered at a later date following changes to the policy in question.
4. As was the case in the previous year, the 2016/17 Budget Scrutiny process took up a significant amount of the Committee's attention last year. The Committee received an update on the process at the meeting on 1 October, 2015, followed by a presentation on the Budget by the Leader at the meeting on 18 November 2015. Following detailed Budget Scrutiny sessions held in early December 2015, the Committee submitted a report to the Executive which was agreed by the Committee at their meeting on 27 January 2016. The Executive provided their formal response to this report at their meeting on 17 February, 2016.
5. Following the 2016/17 Budget Scrutiny process, the Scrutiny Committee will be undertaking follow up work on:
 - Income Projections
 - Risk Management
 - Savings Projections and Assumptions
 - Collaboration (HR Shared Services & Exploration of ICT Shared Services)
6. Following a low turnout for the 2015/16 Budget Consultation, the Scrutiny Committee has requested that the Executive and Corporate Leadership Team provide a presentation on the anticipated framework for the 2016/17 Process. This has been scheduled for the meeting on 21 September, 2016.
7. As confirmed in the Annual Scrutiny Report for 2014/15, the Committee took on a considerable piece of work on Education during the 2015/16 municipal year. Following a meeting between the Chairman, Vice-Chairman and Corporate Director, Children, Families and Wellbeing a report was taken to the Scrutiny Committee meeting on 1 October 2015, where it was agreed that two Task and Finish Group's would be formed to investigate the following:
 - i. Closing the Gap: Reducing Educational Inequalities within the Borough of Trafford
 - ii. School Funding
8. It was agreed that the Task and Finish Groups would be convened one after the other, with the first investigating 'Closing the Gap'. The group met on several occasions over the municipal year, which culminated in a report with the group's

recommendations on how the educational inequalities gap could be reduced in Trafford. This report was presented to the Executive, who provided a formal response at the Scrutiny Committee meeting on 16 March, 2016. A progress update on the report's recommendations has been agreed for the meeting scheduled for 11 January 2017.

9. Following consultation with the Interim Corporate Director, Children Families and Wellbeing, it was agreed that the investigation into School Funding would not be pursued. Due to the national uncertainty around the matter (a national consultation has been recently conducted), it was believed that a Task and Finish group investigation would not add any value and would not be the best use of the Committee Members' time. The Chairman and Vice-Chairman agreed with this assessment, and the item has now been removed from the work programme.
10. Scrutiny Members have been invited to register their interest in the following Task and Finish Group investigations for the 2016/17 municipal year, which were recently agreed by the Chairman:
 - i. A review of Education, Health & Care Plans (EHCPs)
 - ii. A review of Amey / the Council's maintenance of roads, parks, green spaces and general environment
11. In addition to the items mentioned earlier in the report, the Scrutiny Committee will also be looking at Devolution Manchester, Christmas Lights, and there will be follow ups on the Home to School Transport review, the Provision of Leisure within Trafford, and the One Trafford Partnership.
12. The Scrutiny Committee work programme will continue to be a standing item on the agenda, and the quarterly Annual Delivery Plan reports will be brought to the Committee for information as it becomes available. The Annual Ombudsman report will be considered at the meeting scheduled for 16 November, 2016.

Report of the Health Scrutiny Committee

13. The Health Scrutiny Committee met on six separate occasions during the 2015/16 municipal year. A wide number of issues were covered during these meetings involving representatives of various health partners from across Greater Manchester.
14. Topics included the Trafford Care Coordination Centre (TCCC), Integrated Care, and the Trafford Locality Plan. The Committee also received regular updates from the Joint Health Scrutiny Committee (Manchester and Trafford), the Greater Manchester Joint Health Scrutiny Committee, and HealthWatch Trafford. These updates will continue over the 2016/17 municipal year as standing items on the agenda.
15. A special meeting was held on 12 August, 2015 to discuss the decision made by the Committee In Common (CIC) in relation to the Healthier Together programme, which named Stepping Hill Hospital as the fourth hospital to specialise in general surgery and emergency medicine for patients with life threatening conditions. Following lengthy discussions, several action points were agreed for the Health Scrutiny Committee to move forward with.

16. During the 2014/15 municipal year the Committee held significant investigations into Dignity in Care and District Nursing, with both topics considered at several Committee meetings over the year. The Dignity in Care work followed up on a Task and Finish Group investigation on the topic in 2013. After the follow up the Committee produced a report with further recommendations to the Executive, with a formal response expected at the Health Scrutiny Committee meeting on 12 October 2016. The Committee are expecting a final report on District Nursing once the specifications for the scheme have been agreed.
17. The Health Scrutiny Committee conducted a Task and Finish Group investigation into Delayed Transfers of Care. This culminated in a final report considered by the Executive on 20 June 2016, with a formal response expected by the Health Scrutiny Committee at their meeting on 12 October 2016.
18. The Health Scrutiny Committee were also heavily involved in the 2016/17 Budget Scrutiny process, attending the dedicated Budget Scrutiny sessions in early December. The Committee's contribution and input helped form the Budget Scrutiny report to the Executive, who provided their formal response at their meeting on 17 February, 2016.
19. Following the 2016/17 Budget Scrutiny process, the Health Scrutiny Committee will be aiming to undertake follow up work on:
 - Promoting Independence (Regular updates from the TCCC)
 - Joining Up and Working Together (The Integration of Health & Social Care)
 - Care Packages
 - All Age Front Door Transformation Project
 - Recommissioning of Contracts
20. In addition to the above CMFT recently announced proposals to establish a Single Hospital Service for the City of Manchester, which is set to be rolled out in two phases. The first phase would see the bringing together of UHSM and CMFT (target completion date set for April 2017), whilst the second phase would focus on incorporating the North Manchester services. These changes will undoubtedly affect Trafford residents who regularly use Wythenshawe Hospital as their primary hospital. The Health Scrutiny Committee will be monitoring the situation as it develops, and will request regular updates throughout the year.
21. The Health Scrutiny Committee have agreed to hold three Task and Finish Group investigations during the 2016/17 municipal year:
 - i. The Wellbeing of Young People in Trafford
 - ii. A Review of End of Life Care in Trafford
 - iii. Homecare Review
22. Health Scrutiny Members have registered their respective interests for participating in the first two of these investigations, with initial meetings to be arranged in the coming weeks. The Homecare review will be a 'spotlight review' undertaken by the Chairman and Vice-Chairman, where the investigation will be undertaken over the course of a full day of evidence gathering and meetings with the appropriate Officers and service users.
23. Other areas identified for the Committee's investigation include Primary Care Services, the implementation of the Care Act, Adult Safeguarding and Pharmacies.