

COUNCIL AGENDA

ORDINARY COUNCIL MEETING

Wednesday 20 January 2021



The Mayor – Councillor PJ Murphy
Deputy Mayor – Councillor Daryl Brown

ADDISON

Adam Connell (L)
Rachel Leighton (L)
Sue Fennimore (L)

HAMMERSMITH
BROADWAY

Stephen Cowan (L)
PJ Murphy (L)
Patricia Quigley (L)

RAVENSCOURT PARK

Jonathan Caleb-Landy (L)
Bora Kwon (L)
Asif Siddique (L)

ASKEW

Lisa Homan (L)
Rowan Ree (L)
Rory Vaughan (L)

MUNSTER

Adronie Alford (C)
Alex Karmel (C)
Dominic Stanton (C)

SANDS END

Lucy Richardson (L)
Ann Rosenberg (L)
Matt Uberoi (L)

AVONMORE &
BROOK GREEN

Rebecca Harvey (L)
David Morton (L)
Fiona Smith (L)

NORTH END

Daryl Brown (L)
Larry Culhane (L)
Zarar Qayyum (L)

SHEPHERDS BUSH
GREEN

Andrew Jones (L)
Natalia Perez (L)
Mercy Umeh (L)

COLLEGE PARK &
OLD OAK

Wesley Harcourt (L)
Alexandra Sanderson (L)

PALACE RIVERSIDE

Donald Johnson (C)
Amanda Lloyd-Harris (C)

TOWN

Victoria Brocklebank-
Fowler (C)
Andrew Brown (C)
Belinda Donovan (C)

FULHAM BROADWAY

Ben Coleman (L)
Sharon Holder (L)
Helen Rowbottom (L)

PARSONS GREEN AND
WALHAM

Mark Loveday (C)
Frances Stainton (C)
Matt Thorley (C)

WORMHOLT AND
WHITE CITY

Colin Aherne (L)
Sue Macmillan (L)
Max Schmid (L)

FULHAM REACH

Iain Cassidy (L)
Christabel Cooper (L)
Guy Vincent (L)

SUMMONS

Councillors of the London Borough of
Hammersmith & Fulham
are requested to attend the
Meeting of the Council on
Wednesday, 20 January 2021

This meeting will be held remotely

Members of the public can watch the meeting
live on YouTube: youtu.be/2hMj58y025A

The Council will meet at 6.30pm

12 January 2021
3 Shortlands
Hammersmith W6

Kim Smith
Chief Executive

Full Council Agenda

20 January 2021

<u>Item</u>		<u>Pages</u>
1.	APOLOGIES FOR ABSENCE	
2.	ROLL CALL AND DECLARATIONS OF INTERESTS	
	<p>The Mayor will carry out a roll call of Councillors to confirm attendance. Councillors will have an opportunity to declare any interests.</p> <p>If a Councillor has a disclosable pecuniary interest in a particular item, whether or not it is entered in the Authority's register of interests, or any other significant interest which they consider should be declared in the public interest, they should declare the existence and, unless it is a sensitive interest as defined in the Member Code of Conduct, the nature of the interest at the commencement of the consideration of that item or as soon as it becomes apparent.</p> <p>At meetings where members of the public are allowed to be in attendance and speak, any Councillor with a disclosable pecuniary interest or other significant interest may also make representations, give evidence or answer questions about the matter. The Councillor must then withdraw immediately from the meeting before the matter is discussed and any vote taken.</p> <p>Where Members of the public are not allowed to be in attendance and speak, then the Councillor with a disclosable pecuniary interest should withdraw from the meeting whilst the matter is under consideration. Councillors who have declared other significant interests should also withdraw from the meeting if they consider their continued participation in the matter would not be reasonable in the circumstances and may give rise to a perception of a conflict of interest.</p> <p>Councillors are not obliged to withdraw from the meeting where a dispensation to that effect has been obtained from the Standards Committee.</p>	
3.	MINUTES	6 - 11
	<p>To approve the minutes of the meeting held on the 25th of November 2020.</p>	
4.	MAYOR'S/CHIEF EXECUTIVE'S ANNOUNCEMENTS	
5.	PUBLIC QUESTIONS (20 MINUTES)	12 - 21
	<p>The Leader / relevant Cabinet Member to reply to questions submitted by members of the public.</p>	

6. ITEMS FOR DISCUSSION/COMMITTEE REPORTS

- | | | |
|------------|--|-----------|
| 6.1 | COUNCIL TAX SUPPORT SCHEME 2021/22 | 22 - 26 |
| | This report details the Council Tax Support Scheme, setting out how the Council will help people on low incomes to pay their council tax. | |
| 6.2 | COUNCIL TAX BASE AND COLLECTION RATE 2021/22 AND DELEGATION OF THE BUSINESS RATE ESTIMATE | 27 - 36 |
| | This report sets the council tax base for the purposes of the 2021/22 revenue budget. The report also delegates authority to the Director of Finance to determine the business rates tax base for 2021/22. | |
| 6.3 | REVIEW OF THE CONSTITUTION | 37 - 100 |
| | This report recommends changes to Article 11 of the Constitution, the Departmental Register of Authorities, and Contract Standing Orders. | |
| 7. | SPECIAL MOTIONS | |
| | To consider and determine any Special Motions: | |
| 7.1 | SPECIAL MOTION 1 - LIMITING THE SECOND BIGGER WAVE OF PANDEMIC INFECTIONS | 101 - 102 |
| 7.2 | SPECIAL MOTION 2 - PROTECTING THE FINANCES OF HAMMERSMITH & FULHAM RESIDENTS AND BUSINESSES | 103 - 104 |
| 7.3 | SPECIAL MOTION 3 - COUNCIL CONSULTATIONS | 105 |
| 7.4 | SPECIAL MOTION 4 - HAMMERSMITH BRIDGE ENGINEERING REPORTS | 106 |
| 7.5 | SPECIAL MOTION 5 - COVID 19 VACCINATION PROGRAMME | 107 |

COUNCIL MINUTES

ANNUAL COUNCIL MEETING

WEDNESDAY 25 NOVEMBER 2020



PRESENT

The Mayor (Outgoing) – Councillor Daryl Brown
Deputy Mayor (Outgoing) – Councillor Mercy Umeh

Councillors:

Colin Aherne	Sharon Holder	Rowan Ree
Adronie Alford	Lisa Homan	Lucy Richardson
Victoria Brocklebank-Fowler	Donald Johnson	Ann Rosenberg
Andrew Brown	Andrew Jones	Helen Rowbottom
Daryl Brown	Alex Karmel	Alexandra Sanderson
Jonathan Caleb-Landy	Bora Kwon	Max Schmid
Iain Cassidy	Rachel Leighton	Asif Siddique
Ben Coleman	Amanda Lloyd-Harris	Fiona Smith
Adam Connell	Mark Loveday	Frances Stainton
Christabel Cooper	Sue Macmillan	Dominic Stanton
Stephen Cowan	David Morton	Matt Thorley
Larry Culhane	PJ Murphy	Matt Uberoi
Belinda Donovan	Natalia Perez	Mercy Umeh
Wesley Harcourt	Zarar Qayyum	Rory Vaughan
Rebecca Harvey	Patricia Quigley	Guy Vincent

NOTE: This meeting was held remotely - <https://youtu.be/EyclKKoHB0U>

1. ELECTION OF THE MAYOR

6.30pm – Councillor Daryl Brown, as the outgoing Mayor, took the Chair at the start of the meeting.

Councillor Colin Aherne proposed, seconded by Councillor Zarar Qayyum, that Councillor PJ Murphy be elected Mayor of the London Borough of Hammersmith and Fulham for the 2020/21 Municipal Year.

There being no further nominations, the proposal was formally put to the vote:

FOR:	UNANIMOUS
AGAINST:	0
NOT VOTING:	0

The recommendation was declared **CARRIED**.

6.34pm – RESOLVED:

That Councillor PJ Murphy was duly elected Mayor of the London Borough of Hammersmith and Fulham for the 2020/21 Municipal Year, following which he made the statutory Declaration of Acceptance of Office and signed the statutory undertaking to observe the Code of Conduct for Councillors.

The Mayor then made a brief speech thanking members for the honour of being elected Mayor and also recognised the pain caused by the ongoing Covid-19 pandemic. The Mayor extended the Council's heartfelt condolences to all those who had been affected.

The Mayor announced that he had nominated the Hammersmith & Fulham Foodbank as his charity for the Mayoral year.

The Mayor then appointed Mary Smith to act as his Mayoress during the Mayoral year.

Presentation of Past Mayor's badge

The Leader of the Council, Councillor Stephen Cowan, moved that the past Mayor's Badge be presented to Councillor Daryl Brown in recognition of her service to the Council in undertaking the office of Mayor, and in carrying out other associated civic duties as a Councillor, which was unanimously agreed.

Speeches were made by Councillor Stephen Cowan, Leader of the Council, and Councillor Andrew Brown, Leader of the Opposition, thanking the outgoing Mayor for her service to the borough. Councillor Daryl Brown then made a speech summarising the highlights of her Mayoral term and thanking members for the opportunity to serve the borough.

A vote of thanks was given to the past Mayor's Consort and Deputy Mayor in undertaking their civic roles in support of the past Mayor.

Appointment of Deputy Mayor

The Mayor then announced that he had appointed Councillor Daryl Brown to be his Deputy Mayor for the 2020/21 Municipal Year and that she has appointed Mr Benito Brown to act as her Deputy Mayor's Consort.

2. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillor Sue Fennimore.

Apologies for lateness were received from Councillor Ann Rosenberg who joined the meeting at 7.06pm.

3. ROLL CALL AND DECLARATIONS OF INTERESTS

Councillors Alex Karmel, Adronie Alford, PJ Murphy, Lisa Homan, Larry Culhane, Stephen Cowan, Amanda Lloyd-Harris, and Sharon Holder declared non-pecuniary interests in Item 6.5 as deferred members of the Council's pension scheme.

4. MINUTES

6.55pm – RESOLVED

That the minutes of the meeting held on the 21st October 2020 were agreed as a correct record.

5. MAYOR'S/CHIEF EXECUTIVE'S ANNOUNCEMENTS (IF ANY)

There were no announcements.

6. ITEMS FOR DISCUSSION AND COMMITTEE REPORTS

6.1 Party Appointments for the 2020-21 Municipal Year

6.55pm – The report on the party appointments for the 2020-21 municipal year was noted.

6.2 Appointment by the Leader of the Deputy Leader and Cabinet

6.56pm – The report on the appointment by the Leader of the Deputy Leader and Cabinet was noted.

6.3 Allocation of Seats and Proportionality on Committees

6.56pm – The report on the allocation of seats and proportionality on committees was noted.

6.4 Appointment of Chairs and Committee Memberships

6.57pm – The Mayor noted the following correction to the report:

- Councillor Mark Loveday should replace Councillor Matt Thorley on the Standards Committee membership

The report and recommendations were formally moved for adoption by the Leader of the Council, Councillor Stephen Cowan, before being put to the vote:

FOR	UNANIMOUS
AGAINST	0
NOT VOTING	0

The report and recommendations were declared **CARRIED**.

6.57pm – RESOLVED

1. That the Council agrees, with the correction noted above, the appointments of Chairs and Memberships of Regulatory, Policy and Accountability and other Committees under its Constitution for the Municipal Year 2020/21, as set out in Appendix 1.
2. This Council also notes their respective portfolios / terms of reference, as set out in the constitution.

6.5 Members' Allowances Scheme 2020-21 (Revisions)

6.58pm – The report and recommendations were formally moved for adoption by the Leader of the Council, Councillor Stephen Cowan.

Speeches on the report were made by Councillors Alex Karmel and Andrew Brown (for the Opposition), and Larry Culhane (for the Administration).

FOR	33
AGAINST	11
NOT VOTING	0

The report and recommendations were declared **CARRIED**.

7.05pm – RESOLVED

1. That the revisions to the Members' Allowances Scheme 2020/21 as set out in the report and attached as Appendix 1, be approved.

6.6 Review of the Constitution

7.05pm – The report and recommendations were formally moved for adoption by the Leader of the Council, Councillor Stephen Cowan, before being put to the vote:

FOR	33
AGAINST	11
NOT VOTING	0

The report and recommendations were declared **CARRIED**.

7.06pm – RESOLVED

1. That the composition of the Cabinet set out below and the Cabinet Member and Lead Member Responsibilities and Portfolios outlined in Appendix 1, be noted.
2. That the creation of an additional Assistant to the Cabinet position assigned to support the Cabinet, be approved.
3. That subject to the approval of recommendations above, the Council's Constitution be adopted for the 2020/21 Municipal Year.

6.7 Leader's Annual Report (Verbal)

7.06pm – The Leader of the Council, Councillor Stephen Cowan, gave an oral presentation for his annual report. The Leader of the Opposition, Councillor Andrew Brown gave a speech in response.

7. INFORMATION REPORTS - TO NOTE

7.1 Council Calendar 2020/21 (Revisions)

7.16pm – The report on the Council calendar was noted.

7.2 Annual Report of the Policy and Accountability Committees 2019-20

7.16pm – The Annual Report of the Policy and Accountability Committees was noted.

7.3 Special Urgency Decisions Monitoring Report 2019-20

Speeches on the item were made by Councillors Lisa Homan, Rachel Leighton, and Sharon Holder (for the Administration), and Councillor Andrew Brown (for the Opposition).

7.32pm – The monitoring report on Special Urgency Decisions was noted.

7.4 Petitions Monitoring Report 2019-20

7.33pm – The monitoring report on petitions was noted.

Meeting started: 6.30 pm
Meeting ended: 7.33 pm

Mayor

Minutes are subject to confirmation at the next meeting as a correct record of the proceedings and any amendments arising will be recorded in the minutes of that subsequent meeting.

Agenda Item 5

NOTE: Questions are presented in the order they were received.

Question 1 – CycleWay 9

From: John Bridges, Resident

To: The Leader of the Council

“Answers to a Freedom of Information Request appear to show:-

1. No consultation with the Emergency Services.
2. Reliance on data from TfL, which is out of date and predates Olympia expansion and Hammersmith Bridge closure.
3. The Council is withholding its own research conducted by the Campaign Company from the Commission.
4. The Council is refusing to gather/analyse any data on the current temporary cycle lanes.

Clearly mistakes have been made. Can the Leader assure me that steps will be taken to put things right immediately before any physical work is started on the project?”

Question 2 – South Fulham Traffic, Congestion and Pollution Reduction Scheme (TCPR) (Health Survey)

From: Eva Burgess, Resident

To: The Leader of the Council

“The TCPR has caused increased air pollution on the Wandsworth Bridge Road since its introduction 5 months ago. This has been most acutely experienced by residents living or working on the Wandsworth Bridge Road. Can the council kindly agree to urgently conduct a formal survey of residents on the WBR to ascertain whether they believe they have experienced any negative health outcomes (including negative impact on mental health) directly as a result of the TCPR commencing 20th July 2020?”

Question 3 – Wheelie Bin Scheme

From: Rosemary Mortimer, Resident

To: Cllr Wesley Harcourt, Cabinet Member for the Environment

“Wheelie bins may be regarded as intrusive and unnecessary in small front gardens. Whilst applauding Council policy to ‘do things with residents’ and a wish to improve borough recycling will the Administration commit to full consultation with residents before expanding its wheelie bin scheme?”

Question 4 – South Fulham TCPR (Independent Review)

From: Anand Sinha, Resident

To: The Leader of the Council

“It has increasingly become clear to me through attendance at the WBRA meetings with the council that the arguments and data put forward by LBHF are not balanced and designed to further their agenda.

Can the council commit to an independent review of its modelling work, in particular to review the conclusions around impacts of opening Imperial Road?”

Question 5 – South Fulham TCPR (Duty of Care)

From: Pranita Sinha, Resident

To: The Leader of the Council

“The objectives of the council with the TCPR are to reduce traffic in the area. Given a number of factors including lockdowns, bridge closures, it has been difficult to assess whether there has been a genuine traffic reduction, however, what is clear is that over the Autumn when lockdown had been eased then the traffic on WBR was worse than I had ever seen it in the 14 years that I have lived here.

Is the council is prepared to damage the health and wellbeing of those on WBR for some potentially marginal benefit to those in the East and West and if so, how has the council discharged its duty of care to those on the WBR given there was no real consultation or pollution monitoring in place prior to scheme introduction and no clear plans exist to deal with serious issues caused by TCPR?”

Question 6 – South Fulham TCPR (Data Quality)

From: Gaynor Churchward, Resident

To: The Leader of the Council

“The ongoing Covid-19 epidemic has substantially changed travel behaviour (both public and private) and will continue to do so until we are over the epidemic. The travel patterns being assessed now are in no way typical and are further confounded by numerous bridge closures across London.

Should we be relying on transport data taken in 2020 during a global epidemic to inform long term structural changes to the borough relating to LTN's, strategic road networks and public transport networks?”

Question 7 – South Fulham TCPR (Equality Impact Assessment 1)

From: Caroline Brooman-White, Resident

To: The Leader of the Council

“Did the Council complete an Equality Impact Assessment for the Traffic Reduction Scheme prior to implementation and if so, did this include the indirect discrimination against residents of Wandsworth Bridge Road with disabilities such as chronic or progressive health conditions that put them at greater risk of the harmful effects of air pollution e.g. Cardiovascular, Respiratory and Neurological conditions?”

Question 8 – South Fulham TCPR (Cycling/Walking/Bus Infrastructure)

From: Natalie Lindsay, Resident

To: The Leader of the Council

“The Council’s traffic scheme does not encourage any form of transport modal shift in the residents of the Borough. On the contrary it is creating a de-facto private rat-run for H&F residents to use and abuse, making short car trips easier - provided the residents cut across the traffic-congested and polluted Wandsworth Bridge Road.

Why has there not been important infrastructure changes put in place to favour cycling/walking/bus use in parallel with the scheme and does the council recognise that at present they are acting for the exclusive benefit of local car users to the detriment of everyone else and in complete violation of their own green objectives and the Climate crisis?”

Question 9 – South Fulham TCPR (Impact on Wandsworth Bridge Road)

From: Gary Fannin, Resident

To: The Leader of the Council

“The council has insisted repeatedly that current traffic congestion and pollution on Wandsworth Bridge Road is not related to the current eastern LTN/TCPR scheme and insist that it is purely due to works on Wandsworth Bridge. However, since both lanes on the bridge reopened in November we have not seen the reduction in congestion that had been suggested. In fact we have seen an increase in queueing northbound traffic.

Will the council admit that the TCPR scheme is designed to protect residents East and West of Wandsworth Bridge Road to the detriment of those living on Wandsworth

Bridge Road itself and that the WBR residents are a necessary 'causality' in order for this scheme to be a success?"

Question 10 – South Fulham TCPR (Pedestrians)

From: Tom Ward, Business Owner

To: The Leader of the Council

“The Wandsworth Bridge Road is the busiest pedestrian route in South Fulham. We are concerned that all the emphasis of the TCPR Scheme debates focus on traffic movements, rather than pedestrian movements. NO2 levels are highest at pavement level and most affect the old and young. What surveys have been undertaken by the council to capture the quantum of pedestrians and cyclists using the road?”

Question 11 – South Fulham TCPR (Access to Public Transport)

From: Susan Waterhouse, Resident

To: The Leader of the Council

“Have LBHF consulted with Metroline and Tower Transit who run the two bus routes in WBRd?”

Question 12 – South Fulham TCPR (Gathering Feedback)

From: Gauri Nafrey, Business Owner (124 Wandsworth Bridge Road, SW6 2UL)

To: The Leader of the Council

“The council have presented data to show the support of the current scheme and are using it to support a similar scheme to the west of WBR. Given the level of feeling the scheme has induced and looking at the council's own survey via the Commonplace website, it is clear there is little support or desire for this scheme. Can we ask if the council is using a different means to gather feedback for this scheme and if so, why is this not being shared with the public?”

Question 13 – South Fulham TCRP (Air Quality)

From: Laura Sharrock, Resident

To: The Leader of the Council

“The level of air pollution on Wandsworth Bridge Road is dangerous. Can the Council provide PM2.5 face masks to residents and visitors and agree to conduct indoor air quality assessments of the residential properties and businesses on this road to determine the need for air purifiers, and provide these for all impacted rooms on WBR where pollution exceeds WHO limits?”

Question 14 – South Fulham TCRP (Pollution)

From: Isabel Blunden, Resident

To: The Leader of the Council

“I do not believe that LBHF Councillors nor officers fully appreciate the scale of the pollution situation on the Wandsworth Bridge Road. Can LBHF agree to undertake a socially distanced walk with residents at 4pm one day (when schools return) to experience the air quality that we are being subjected to on a daily basis?”

Question 15 – South Fulham TCRP (Equality Impact Assessment 2)

From: Kerry Collins, Resident

To: The Leader of the Council

“Did the council complete an Equality Impact Assessment for the Traffic Reduction Scheme prior to implementation and if so, did this include the indirect discrimination of resident’s safety and gender discrimination?”

Mini-cabs refusing to enter the side streets and requesting passengers to alight from the cab on the main road and walk the rest of their journey home is a safety concern to residents inside the exclusion zone compared to main road residents and one that disproportionately impacts female residents.”

Question 16 – Recycling Scheme

From: Illtyd L Lewis, Resident

To: The Leader of the Council

“Please could you advise details with dates and numbers as to how residents (and refuse collectors) were consulted regarding the new recycling and rubbish area experiment; I understand that the cost of the experiment has been £60 per address?”

Question 17 – Recycling Scheme

From: Dr Tim Rees, Resident

To: The Leader of the Council

“What assessment did the council make prior to implementing the new rubbish collection pilot in my area, that the bins it had selected were appropriate for the areas selected?”

Question 18 – South Fulham TCRP (Measuring Success)

From: Katerina Tanti, Resident

To: The Leader of the Council

“How are the council going to define if the East LTN is a success and what are the exact parameters it is using to measure this success?”

Question 19 - South Fulham TCRP (Compensation)

From: Susana M Valle, Resident

To: The Leader of the Council

“The existing and upcoming traffic measures around Wandsworth Bridge Road are intentionally directing all traffic passing through Sands End towards Wandsworth Bridge Road exclusively, increasing pollution, unsafety and noise for residents/users on this particular road, so others can benefit.

As this is against any principle of fairness and equality, my question is which compensation provisions will the council be granting to WBR residents for both the discrimination and for our health and property damages?”

Question 20 – South Fulham TCRP (Air Quality)

From: Beatrice Goater, Resident

To: The Leader of the Council

“Wandsworth Bridge Road is the most polluted road in Fulham, breaching air quality limits since records began and made even worse by the Traffic Reduction Scheme to the East of Wandsworth Bridge Road (and soon to be further worsened by a similar scheme to the West, if it goes ahead).

Are the council going to either move half of the traffic to an alternative route (e.g Southbound traffic moved to Imperial/Townmead Road) to reduce pollution on this road or do the council plan to acquire all of the properties on the Wandsworth Bridge Road

via Compulsory Purchase Order in order to legitimately turn this road into the central polluted highway of South Fulham?”

Question 21 – South Fulham TCRP (Engaging with Sustrans)

From: Jonathan Goater, Resident and Business Owner

To: The Leader of the Council

“Can LBHF engage with Sustrans as an independent body to provide advice for the South Fulham Traffic Scheme and in particular the designation of appropriate through-routes in South Fulham.

Can the council please invite Sustrans into the working group meetings to discuss the Imperial/Townmead Road route and help us to develop a scheme that genuinely benefits all residents, including the residents of WBR?”

Question 22 – South Fulham TCRP (Public Approval)

From: George Blunden, Resident

To: The Leader of the Council

“Councillor Ben Coleman has been meeting with 'working parties' on the East and West of Wandsworth Bridge Road including a few residents and businesses on WBR itself. However these working parties are not fully representative of the entire area to sufficiently gather full public opinion.

Will the council agree that before any further changes or indeed approval of the East LTN/TCPR that ALL residents within the South Fulham area (from New Kings Road to the north to Imperial Wharf on the east and Hurlingham Estate to the west and as far as the river south) will be given a final, binding, public vote on the approval of any said scheme, and will the council acknowledge that without this full democratic process they cannot claim to be working local residents as stated on their website?”

Question 23 – Home Deliveries

From: Andrew Male, Resident

To: The Leader of the Council

“Are Councillors and Council Officers aware that according to DfT data, the significant increase in minor road vehicle miles seen in recent years correlates to a 49% increase in vans and 26% increase in cars and taxis over the past 10 years which indicates that

the majority of increased traffic may be related to vehicles making deliveries to homes on the side streets rather than 'rat-running' traffic?

What is the council doing to tackle the proliferation of home deliveries and is it feasible to block couriers and mandate deliveries by cargo bike only within traffic schemes to reduce road vehicle miles locally?"

Question 24 – Recycling Scheme

From: Francine Lyle, Resident

To: The Leader of the Council

"Chiddingstone street is in the Conservation Area, which requires all developments and alterations to properties to contribute positively to the 'visual quality' in the 'view of the street'. How is the new recycling scheme in compliance with Conservation Guidelines with large, unhoused bins taking away from the 'scene view' of the street?"

Question 25 – Hammersmith Bridge (New Bridge)

From: Antonia Muir, Resident

To: Councillor Wesley Harcourt, Cabinet Member for the Environment

"The Council's own experts say a new Hammersmith Bridge is cheaper, faster and better value to the taxpayer than trying to repair the old bridge. Is the Council leadership pressing for a new bridge with the taskforce? If yes, what progress? If no, why not?"

Question 26 – Hammersmith Bridge (Comprehensive Plan)

From: Charlie Pryor, Resident

To: Councillor Wesley Harcourt, Cabinet Member for the Environment

"What will it take for the Council to reach an agreement with the Hammersmith Bridge Task Force, to deliver a comprehensive financed plan to fix the bridge?"

Question 27 – Hammersmith Bridge (New Bridge on Current Footings)

From: Luke Robinson, Resident

To: Councillor Wesley Harcourt, Cabinet Member for the Environment

"Why can the bridge not be removed and a new bridge be installed rapidly on the current footings?"

Question 28 – Hammersmith Bridge (Viable Solution)

From: Christopher Jones, Resident

To: Councillor Wesley Harcourt, Cabinet Member for the Environment

“I would like to ask the Council if they have agreed on a viable solution going forward, found funding from council and government funds, and if so when work will start on fixing this bridge and if not, why not?”

Question 29 – Hammersmith Bridge (New Bridge)

From: John Griffiths, Resident

To: Councillor Wesley Harcourt, Cabinet Member for the Environment

“Has the Council considered a completely new bridge of outstanding design, fit for the purpose of carrying pedestrians, cyclists and road traffic including double decker buses, and able to accommodate river traffic at all tides. It could be the new forward-looking emblem for the Borough.”

Question 30 – Hammersmith Bridge (Financial Planning)

From: Justin Sumner, Resident

To: Councillor Wesley Harcourt, Cabinet Member for the Environment

“As owners of the Bridge the Council may mortgage or raise Finance against the ASSET. Therefore, Will the Council confirm their financial planning and Bridge repair time frame, with specific target dates, please.”

Question 31 – Hammersmith Bridge (Moving the Bridge)

From: David Chamberlain, Resident

To: Councillor Wesley Harcourt, Cabinet Member for the Environment

“Is it not time to bite the bullet and remove Hammersmith Bridge to another location? It is clearly not fit for purpose and any repairs currently contemplated will have to be repeated time and time again.”

Question 32 – New Bins

From: Snjezana Maclean, Resident

To: The Leader of the Council

“I live in W6 and have received the new bins unexpectedly. The bins are far too big and completely block my small front garden. I have two bikes that are in constant use so would like to know how do you think this will work with the request that the bins should be wheeled in and out every week?”

Question 33 – Demolition of Hartopp and Lannoy Points

From: Mr and Mrs James O’Brien, Residents

To: The Leader of the Council

“Given that we leaseholders in Chasemore House and Donnelly Courts are blighted by not being able to sell our properties, as we are unable to obtain valuations, what compensation is the council proposing to offer us as we are suffering from this council’s actions?”

Question 34 – Demolition of Hartopp and Lannoy Points

From: Jack Holmes, Resident

To: Councillor Lisa Homan, Cabinet Member for Housing

“When is the council going to tell us what is going to be built on the land? I am concerned that homes will be built in front of Chasemore House and will block our light.”

Agenda Item 6.1

London Borough of Hammersmith & Fulham

Report to: Full Council

Date: 20/01/2021

Subject: Council Tax Support Scheme 2021/2022

Report of: The Cabinet Member for Finance and Commercial Services, Councillor Max Schmid

Report author: Kirsty Brooksmith, Head of Benefits

Responsible Director: Nicola Ellis, Assistant Director, Resident Services

Summary

Since 2013, every council has been required to set its own Council Tax Support Scheme, setting out how it wants to help those on low income pay their council tax. The administration is determined to ensure that residents are no worse off than they would have been had the original council tax benefit regulations stayed in place, ensuring that lower income families are supported by the council. This report is therefore not proposing to make any changes to the Council Tax Support Scheme for 2021/22 other than the application of the annual uprating.

The annual uprating will apply to the allowances, applicable amounts, and income for both pensioners and working age DWP benefits, as per the Housing Benefit uprating circular issued to Local Authorities in November 2020. This circular advises the new rates from April 2021. All Local Authorities have a duty to apply uprating to their Housing Benefit Scheme and we propose to continue to reflect this uprating within our Council Tax Support Scheme to mirror the original intention of the default scheme. This will ensure transparency ease of administration and clarity for our residents.

Recommendations

That Full Council approves the following recommendations:-

1. That the Council Tax Support Scheme in operation in 2020/2021 shall continue in 2021/2022.
 2. That the Council shall apply the annual uprating of allowances, applicable amounts and income set out in the DWP Housing Benefit circular to the Council Tax Support scheme for 2021/2022.
-

Wards Affected: ALL

Our Values	Summary of how this report aligns to the H&F Values
Building shared prosperity	We'll support our low-income residents by ensuring our scheme gives them the maximum benefit of up to 100%, contributing to keeping their living costs, including their council tax, affordable.
Creating a compassionate council	We are continuing our local Council Tax support scheme to the most vulnerable amongst us, so we know they are looked after financially.
Doing things with local residents, not to them	We'll continue to listen to and work with our residents by offering financial support to them when nationally local authorities are reducing financial help and support.
Being ruthlessly financially efficient	We want to be our residents to know we are working to protect and maintain policies that protect our most vulnerable.

Financial Impact

The council tax support scheme operates by offering a discount to residents who need help paying their council tax. The cost of the scheme is shared between Hammersmith and Fulham and the Greater London Authority based on their respective council tax charges. The Hammersmith and Fulham share of the scheme cost was £8.3m in 2019/20. Due to an increase in the number of awards, arising as a consequence of the Covid-19 pandemic, there is predicted growth in the cost of this scheme in both 2020/21 and 2021/22. Latest modelling suggests that the cost of the scheme will be £12.9m in 2021/22, based on current council tax levels, of which the Hammersmith and Fulham share will be £9.1m. This increase is allowed for within the 2021/22 council tax base report.

Funding for the council tax support scheme was originally provided through Revenue Support Grant (RSG) from the Government. Government grant funding has reduced by £68m (54% in real terms) from 2010/11 to 2020/21. Funding for 2021/22 and future years is uncertain. It should be noted that the cost of funding this scheme and for future years is now fully borne by the Council.

Legal Implications

The Council is required, each financial year, to consider whether to revise its scheme or to replace it with another. The Council must make this decision no later than 31 January in the financial year preceding when the scheme is to take effect.

The Council has a statutory duty to set the council tax each year and this report is part of this process. The Council can only vary or set council tax discounts or higher amounts as legally empowered to do so. The relevant regulations and legislation are the Local Government Finance Act 1992, the Local Authorities (Calculation of Council Tax Base) Regulations 2012, and the Council Tax (Prescribed Classes of Dwellings) (England) Regulations 2003. The Council Tax base has been calculated in accordance with the relevant Acts and regulations.

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Background Papers Used in Preparing This Report

LBHF Council Tax Reduction Scheme 2020/21 - Published at:
https://www.lbhf.gov.uk/sites/default/files/section_attachments/hf_council_tax_reduction_scheme_2020.pdf

DETAILED ANALYSIS

Proposals and Analysis of Options

No further options regarding proposing changes to introduce a minimum contribution that would have resulted in working age families having to contribute to their Council Tax have been considered this year. This is in light of the pandemic and the financial difficulties residents are facing at this current time.

Reasons for Decision

We are proposing no changes to the scheme this year. This scheme is particularly important this year in light of the financial challenges residents are facing due to the economic impacts of Covid, including the rise in unemployment, the introduction of furlough schemes and continued increases in overall living costs.

We also note the ongoing impact of the early migration of our residents to Universal Credit (UC), as a result of changes to their household circumstances either through loss of work completely or loss of actual earnings whilst furloughed has negatively impacted the existing challenges residents face. This has resulted in much more reliance on the use of foodbanks, and a rise in arrears and complexities around income collection for both council rents and Council Tax.

Currently there are 14,179 households receiving Council Tax Support in Hammersmith and Fulham, of these 4,886 are pensioner age therefore would be unaffected by any changes and 9,293 are working age. Therefore, any changes we made would detrimentally impact the largest proportion of our caseload.

The council has concluded that if changes were made to the scheme to introduce a minimum contribution towards council tax for working age customers on low incomes, we would be seeking repayment from the poorest in our society, many of whom have already been severely financially impacted this year.

Equality Implications

There are no anticipated negative implications for groups with protected characteristics, under the Equality Act 2010, by the approval of these proposals.

Implications verified by: Fawad Bhatti

Risk Management Implications

Local authorities have received significant cuts to budgets imposed on them by national Government, in addition the Government's Universal Credit Scheme has posed challenges to the poorest and most vulnerable in society. Council tax benefit was a UK-wide benefit that provided support for council tax to low-income families. This was abolished in April 2013 and local authorities in England were charged with designing their own council tax support schemes in its place. Although these must maintain support for pensioners at its previous level, local authorities have wide discretion to design their own schemes for working-age families. The Council's

scheme contributes positively to our residents, meeting their needs and expectations. It also contributes to our council values most specifically being a compassionate council, so the most vulnerable among us are looked after.

Implications verified/completed by Michael Sloniowski, Risk Manager – tel 020 8753 2587

Consultation

There is no requirement to consult this year as we are not proposing any changes to our scheme.

London Borough of Hammersmith & Fulham

Report to: Full Council

Date: 20/01/2021

Subject: Council Tax Base and Collection Rate 2021-22 and Delegation of the Business Rate Estimate

Report of: Report of the Cabinet Member for Finance and Commercial Services – Councillor Max Schmid

Report author: Jamie Mullins, Head of Revenues

Responsible Director: Emily Hill, Director of Finance

Summary

This report is a statutory requirement that sets the council tax base for the purposes of the 2021/22 revenue budget.

The proposed 2021/22 council tax base is 80,930. This is an increase of 435 on the figure agreed for 2020/21 and will result in an increased income, based on the 2020/21 Band D council tax charge, of £344,000 for Hammersmith & Fulham.

During 2020/21 council tax income has been adversely impacted by the Covid-19 pandemic. An estimated in-year loss of £6m is currently forecast (of which the council share is £4.228m). The government have announced that this loss (collection fund deficit) can be spread over 3 years from 2021/22 onwards and the recent Spending Review further announced that 75% of these irrecoverable losses will be funded by government. Review of the forecast deficit is on-going and will be confirmed through the 2021/22 budget process.

The report also delegates authority to the Director of Finance to determine the business rates tax base for 2021/22. The Council has previously benefited from membership of the pan London business rates pool. Due to concerns regarding the impact of Covid-19 on future business rates income the financial case for pooling in 2021/22 is not strong. There is likely, should the government not provide guarantees regarding future business rates losses, to be a collective withdrawal from the pool.

Recommendations

That Full Council approve for the financial year 2021/22:

1. That the estimated numbers of properties for each Valuation Band as set out in this report be approved.
2. That an estimated collection rate of 97.0% be approved.

3. That the Council Tax Base of 80,930 Band “D” equivalent properties be approved.
4. To delegate authority to the Director of Finance in consultation with the Cabinet Member for Finance and Commercial Services, to determine the business rates tax base for 2021/22.
5. To note the provisional in-year 2020/21 council tax collection fund deficit of £6m and that the estimate will continue to be reviewed. The overall deficit, taking account of prior years, is estimated at £5.550m.
6. To note that the pan-London business rates pool is unlikely to continue in 2021/22. Should it be possible for the pool to continue the decision to participate is delegated to the Director of Finance in consultation with the Cabinet Member for Finance and Commercial Services.

Wards Affected: ALL

Our Values	Summary of how this report aligns to the H&F Values
Building shared prosperity	Keeping the Council Tax low helps residents to maintain affordable living costs.
Creating a compassionate council	We continue to lead on Ethical Debt collection by working closely with vulnerable residents and not employing Enforcement Agents for the collection of council tax.
Being ruthlessly financially efficient	The recommendations in this statutory annual report will ensure that the Council continues to charge the premium on long term empty properties and not grant discounts or exemptions to second homes or unoccupied and unfurnished properties. These generate additional income and contributes to one of the lowest Council Tax in the country.
Taking pride in H&F	The Council’s policy on not granting discounts or exemptions on empty or second properties encourages bringing these properties back in to use and creating safer and cleaner communities for residents and contributing to the prevention of homelessness.

Financial Impact

Council Tax Base

The Local Government Finance Act 1992 requires that the council set the tax base by 31 January each year. It is used within the overall council tax and budget setting process, due to be reported to budget council on 24 February 2021.

The proposed Council Tax Base for 2021/22 of 80,930 is 435 Band D equivalents, higher than the 80,495 agreed for 2020/21. The increase in the tax base will generate additional income, using 2020/21 council tax charges, of £344,000 for Hammersmith and Fulham and £144,400 for the Greater London Authority.

The main reasons for the tax base change are:

	Band D Equivalents
An increase in the tax-base due to new non-exempt properties	1,074
An allowance for new properties added in-year	425
A forecast reduction in the number of single persons discounts	167
Allowance for an increase in the number of local council tax support scheme discounts	-885
Changes to other exemptions	70
Reduction in the forecast collection rate from 97.5% to 97%	-416
Increase in the 2021/22 tax base	435

Local authority finances are facing unprecedented financial risk and uncertainty due to the impact of the Covid-19 pandemic. For council tax, the latest London wide survey has shown a reduction in collection rates, from October 2019 to October 2020 of between 0.5% and 5.9%. In London the council tax support scheme caseload has also increased on average by 9.1% since 2019/20. The survey figures are in line with the Hammersmith and Fulham experience, with a £6m income shortfall currently forecast for 2020/21.

The current Covid-19 uncertainty is likely to continue in 2021/22 with council tax income adversely impacted. For the purposes of setting the tax base a reduction in the collection rate from 97.5% to 97% is assumed and an increase of 885 band D equivalent discounts made through the local council tax support scheme. This increase in the number of discounts is based on trend data and represents a potential income loss to Hammersmith and Fulham of £701,000.

Prior Year Collection Fund Deficit

The Local Government and Finance Act 1988 requires that all council tax and non-domestic rates income is paid into a Collection Fund, along with payments out regarding the Greater London Authority precept, the business rates retention scheme and a contribution towards a Council's own General Fund.

As at the close of 2019/20 the council had a net surplus on the collection fund, after allowance for sums already taken account of within the 2020/21 budget process, of £0.450m (of which the Hammersmith and Fulham share is £0.317m).

Due to the impact of the Covid-19 pandemic, the latest estimate is that there will be an in-year 2020/21 council tax income deficit of £6m, of which the Hammersmith and Fulham share is £4.228m. The overall forecast net deficit (taking account of the surplus brought forward at the end of 2019/20) is £5.550m of which the Hammersmith and Fulham share is £3.911m.

Under new government regulations this deficit can be spread over 3 years from 2021/22 onwards and this will be taken account within the future budget strategy. Furthermore, the recent Spending Review further announced that 75% of these irrecoverable losses will be funded by government. The current forecast is subject to significant flux and will be reviewed as part of the 2021/22 budget process.

Business Rates

The business rates tax base forecast is subject to great uncertainty. For 2020/21 total reliefs of £155m, most of which relate to Covid-19, are currently estimated as receivable. Government guidance on the extent to which these reliefs will carry on in 2021/22 continues to evolve although it is expected that the economic consequences from Covid-19 will have an adverse impact on the business rates tax base. As more information becomes available the forecast will be updated with final approval to determine the business rates tax base for 2021/22 delegated to the Director of Finance, in consultation with the Cabinet Member for Finance and Commercial Services.

The Council currently participates in the pan-London business rates pool. The pool has benefited boroughs by enabling more business rates growth to be retained within London. The latest estimated pool benefit for Hammersmith and Fulham is £580,000 for 2020/21 albeit the impact of Covid-19 on businesses is expected to result in a lower final benefit. Due to concerns regarding the impact of Covid-19 on future business rates income the financial case for pooling in 2021/22 is not strong. London Councils are seeking assurances/ guarantees regarding potential pool losses from government. If no such guarantees are offered, a collective withdrawal from the pool is likely. Should it be possible for the pool to continue the decision to join is delegated to the Director of Finance in consultation with the Cabinet Member for Finance and Commercial Services.

Legal Implications

The Council has a statutory duty to set the Council Tax each year and this report is part of this process.

The relevant regulations and legislation together with the legal basis for agreeing the recommendations relating to the council tax base are found under section 31B of the Local Government Finance Act 1992 which imposes a duty on a billing authority to calculate its council tax by applying a formula laid down in that section. This relies on calculating a figure for the council tax base for the year. The Local Authority

(Calculation of Council Tax Base) (England) Regulations 2012 require a billing authority to use a given formula to calculate the council tax base. The Council Tax (Prescribed Classes of Dwellings) (England) Regulations 2003, as amended in 2012 and Council Tax (Exempt Dwellings) (England) (Amendment) Order 2012 address the position of second and unoccupied homes.

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Background Papers Used in Preparing This Report

MHCLG Return CTB1 (October 2020) <http://democracy.lbhf.gov.uk/documents/s115445/BACKGROUND%20DOCUMENT%20-%20MHCLG%20Return%20CTB1.pdf>

DETAILED ANALYSIS

Discounts

Second Homes

1. There are some 2,321 second homes in the borough. The Council does not offer a discount on second homes which adds 2,734 Band "D" equivalents to the 2021/22 tax base.
2. Based upon 2020/21 council tax levels, this generates income to the Council of £2.17m. This income is allowed for within the Council's medium-term financial strategy. Our preceptor, the Greater London Authority (GLA), also benefits from the reduction in the discount and the increase in income to the Council.

Empty Properties

- There are some 323 empty (unoccupied and unfurnished) properties in the borough. The Council does not offer a discount for empty properties which adds an additional 409 Band "D" equivalents to the 2021/22 tax base. Based upon 2020/21 council tax levels, this generates income to the Council of £324,000. This income also directly benefits the GLA.

Council Tax Support

- Under council tax support, Hammersmith & Fulham and the GLA absorb the full cost of the scheme. This mirrors the previous council tax benefit arrangements. For 2021/22, the Council has provided council tax support discounts that equate to 11,476 Band 'D' equivalents. Based on 2020/21 Council Tax levels this represents financial support of £12.9m (including the GLA precept).
- The tax base regulations require the cost of the scheme to be treated as a discount and deducted from the Council's tax base calculation.

Valuation Band Properties

- The latest information on the number of properties within each valuation band is contained within a return (CTB1), which the Council provided to the MHCLG on 14th October 2020. This return reflected the actual number of properties shown in the Valuation List as of 15th September 2020, and the council's records as of 5th October 2020.
- A detailed analysis of the properties in each valuation band is summarised below. There are 91,266 dwellings on the list with some 27,506 properties estimated to receive a single person's discount. The total Band "D" equivalent is approximately 95,306 properties.

Council Tax Base Return Summary (CTB1)

Band	Band Size	Total Dwellings	Total after Discounts, Premiums, Exemptions and Disabled Relief	Ratio	Band "D" Equivalents
A	Values not exceeding £40,000	4,098.0	2,975.5	6/9	1,983.7
B	Values exceeding £40,000 but not exceeding £52,000	6,648.0	4,985.0	7/9	3,877.2
C	Values exceeding £52,000 but not exceeding £68,000	14,337.0	12,501.0	8/9	11,112.0
D	Values exceeding £68,000 but not exceeding £88,000	25,120.0	22,596.8	9/9	22,596.8
E	Values exceeding £88,000 but not exceeding £120,000	16,427.0	15,056.8	11/9	18,402.7
F	Values exceeding £120,000 but not exceeding £160,000	10,243.0	9,505.3	13/9	13,729.8
G	Values exceeding £160,000 but not exceeding £320,000	11,662.0	10,987.0	15/9	18,311.7
H	Values exceeding £320,000	2,731.0	2,645.8	18/9	5,291.5
	Total	91,266.0	81,254.0		95,306.0

Adjustments to the Valuation List

8. The above table shows the valuation band position on 15th September 2020, but the Council is also required to consider any likely changes that may arise for the financial year 2021/22. Therefore, the following adjustments need to be considered:

New Properties

9. There are likely to be a number of new properties, conversions etc added to the valuation list at some point during the year. There are approximately 283 units currently under construction on various sites in the Borough that will be added to the tax base sometime during 2021/22. It is estimated after allowing for different completion dates that this will equate to an additional 424 Band 'D' equivalents.

Single Person Discounts (SPD)

10. The Council undertakes a regular review of single person discounts being awarded to taxpayers. The next review will take place in June 2021 and based on previous reviews; it is estimated that a further 670 Band D equivalent SPD discounts will be removed which will add an additional 167 Band "D" equivalents to the tax base for 2021/22. This will benefit the council by an estimated £127,740

Student Exemptions

11. Dwellings wholly occupied by students are exempt from council tax. The projected council tax base needs to be adjusted to allow for students that have yet to prove their exemption for the new academic year. It is estimated that an adjustment of 930 Band "D" equivalents is required.

Council Tax Support

12. The cost of the scheme equates to 11,476 band "D" equivalents, based on 2020/21 council tax levels, which are deducted from the tax base for 2021/22. This is more than the deduction of 10,591 Band D equivalents made in 2020/21. This is due to an estimated increase in the number of claimants applying for a discount since the Covid-19 pandemic began.

Care Leavers

13. For 2020/21, the Council has provided discounts for care leavers up to the age of 25. This equates to 58 band D equivalents based on 2020/21 council tax levels. The cost of this discount is fully funded by the Council and needs to be deducted from the council's tax base calculation.
14. The Council is required to set its tax base on the total of the relevant amounts for the year for each of the valuation bands shown or is likely to be shown for any day in the year in the authority's valuation list.

15. Based on the CTB1 return to the MHCLG, and the proposed adjustments, the Council is requested to approve the estimated numbers of properties for each valuation band as set out in the following table:

2021/22 Council Tax Base Calculation

Band	Band "D" Equivalent Actual September	Adjustments for New Properties	Adjustments for Student Exemptions	SPD	Adjustments for Council Tax Support Scheme	Care Leavers	Revised Band "D" Equivalents
A	1,983.7	0	-21	0	-791	-13	1,158.7
B	3,877.2	-16	-30	0	-1,508	-17	2,306.2
C	11,112.0	-68	-90	0	-2,936	-15	8,003
D	22,596.8	56	-250	0	-3,486	-9	18,907.8
E	18,402.7	176	-262	0	-1,760	-2	16,554.7
F	13,729.8	160	-168	0	-644	0	13,077.8
G	18,311.7	117	-105	0	-342	-2	17,979.7
H	5,291.5	0	-4	0	-9	0	5,278.5
Total	95,305.4	425	-930	0	-11,476	-58	83,266.4
				167 SPD Review Target for 2021/22			167 Revised Total 83433.4

Collection Rate

16. The Council is also required to estimate its collection rate for 2021/22 at the same time as arriving at the estimated number of properties within the tax base. In arriving at a percentage collection rate for 2021/22, the Council considers the likely sum to be collected, previous collection experience and any other relevant factors.
17. The actual sum to be collected from local council taxpayers cannot be finally determined until the preceptor's requirements are known and the Council has approved its budget. The Council therefore must make an estimate of the sums to be collected locally making estimated allowance for sums from council tax support and write-offs/non-collection.
18. The actual collection rate for 2020/21 achieved to the end of October 2020 is 59.15%, comprising cash collection of £55.1m and Council Tax Support of £11.4m. It is estimated that a further £35.5m (37.85%) will need to be collected by 31 March 2021 and £0.47m (0.5%) thereafter.
19. Collection performance has been calculated in order to comply with MHCLG performance indicator calculations. Latest calculations for 2019/20 and 2020/21 show that the current collection rate needs to be adjusted for 2021/22. It is therefore, suggested that the collection rate for 2021/22 is set at 97%. This is lower than the collection rate of 97.5% for 2020/21 due to the uncertainty of the continued impact of Covid-19.

The Tax Base

20. Under Section 31(B) of the Local Government Finance Act 1992 and the Regulations, the Council's tax base is calculated by multiplying the estimated number of Band "D" equivalents by the estimated collection rate.
21. Based on the number of Band "D" equivalents in the table in paragraph 9. above and the estimated collection rate in paragraph 10. above, the calculation is as follows:

$$(\text{Band D equivalents}) \times (\text{Collection Rate}) = (\text{Tax Base})$$

$$83,433 \times 97.0\% = 80,930$$

Business Rates Tax base

22. The Local Government Finance Act 2012 made it obligatory for authorities to formally calculate the estimated level of business rates (the business rates tax base) it anticipates collecting for the forthcoming financial year and passing this information to precepting authorities by 31 January. The Government continues to set the tax rate (known as the non-domestic multiplier).
- 25 The tax base is based on data from the Valuation Office with local allowance for the appropriate level of business rates appeals, the provision for bad debts, any discretionary reliefs and any forecast growth. This information is pulled together into a government return (NNDR1). The detailed guidance on completing the NNDR1 was issued just before Christmas and includes changes made to the business rates system relating to the impact of COVID-19. Given that the return must be submitted by 31 January, it is recommended that the responsibility for setting these figures be delegated to the Director of Finance in consultation with the Cabinet Member for Finance and Commercial Services.

Reasons for Decision

23. Under Section 31(B) of the Local Government Finance Act 1992 and The Local Authorities (Calculations of Council Tax Base) (England) Regulations 2012, the Council (as billing authority) is required to calculate its Council Tax Base. This comprises both the estimated numbers of properties within each Valuation band plus the Council's estimate of its collection rate for the coming financial year.
24. Under Section 11A of the Local Government Finance Act 1992, Council Tax (Exempt Dwellings) (England) (Amendment) Order 2012 and Council Tax (Prescribed Classes of Dwellings) (England) (Amendment) Regulations 2012 the Council reduced discounts for both Second Homes and Unoccupied and Unfurnished dwellings to 0% with effect from 2013/14, this remains in place.
25. Under Section 11B of the Local Government Finance Act 2012 the Council introduced the Council Tax Empty Homes Premium with effect from 1 April 2014, this remains in place. This increased the charge on dwellings that have been

unoccupied and substantially unfurnished by an additional 50% of the council tax that would be payable if the dwelling were occupied by two adults and no discounts were applicable. The premium increased to 100% from 01/04/2019 and from the 01/04/2020, the premium increased to 200% for dwellings which have remained unoccupied and substantially unfurnished for over five years.

Equality Implications

26. There are no anticipated negative implications for groups with protected characteristics, under the Equality Act 2010, by the approval of these proposals.

Risk Management Implications

27. The report considers the implications required by the Council to meet its obligations under the Local Government Finance Act 2012 which made it obligatory for authorities to formally calculate the estimated level of business rates (the business rates tax base) it anticipates collecting for the forthcoming financial year and passing this information to precepting authorities by 31 January. The Council is also required to estimate its Collection Rate for 2021/22 at the same time as arriving at the estimated number of properties within the Tax Base. The Council is required Under Section 33(1) of the Local Government Finance Act 1992 and The Local Authorities (Calculations of Council Tax Base) (England) Regulations 2012, the Council (as billing authority) to calculate its Council Tax Base. The proposals are compliant with statutory duties and are provided in accordance with management of standing risk to manage the Council's finances.

Implications verified by Michael Sloniowski Risk Manager, tel: 020 8753 2587
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London Borough of Hammersmith & Fulham

Report to: Full Council

Date: 20/01/2020

Subject: Review of the Constitution

Report of: The Leader of the Council – Councillor Stephen Cowan

Summary

This report asks Council to approve changes to Article 11 of the Constitution, the Departmental Register of Authorities, and Contract Standing Orders.

Recommendations

1. That Council approve the update to Article 11 of the Constitution in Appendix 1.
 2. That Council agree the updates to the Departmental Register of Authorities in Appendix 2.
 3. That Council agree the updates to Contract Standing Orders in Appendix 3.
-

Wards Affected: None

H&F Priorities	Summary of how this report aligns to the H&F Priorities
Taking pride in H&F	Ensuring a high standard of governance across the Council.

Financial Impact

The recommendations in this report have no direct financial implications.

Legal Implications

The Local Government Act 2000 requires the Council to have and maintain a Constitution. The Monitoring Officer is satisfied that the Council's Constitution continues to fulfil its stated purposes, as set out in Article 1 of the Constitution.

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Background Papers Used in Preparing This Report

The Council's Constitution: www.lbhf.gov.uk/constitution

DETAILED ANALYSIS

Proposals and Analysis of Options

1. The Constitution sets out how the Council operates, how decisions are made and the procedures that are followed to ensure business is conducted in an efficient, transparent, and accountable manner.
2. The Monitoring Officer has a duty to keep the Constitution under review and has delegated authority to amend the Constitution where there has been a change in law, job title, structure, rearrangement of job responsibilities or for general administrative convenience. All extensive changes to the Constitution, however, must be approved by Full Council.

Reasons for Decision

3. The Council's Monitoring Officer is required to review the Council's Constitution each year to ensure that its aims and principles are given full effect in accordance with Article 15 of the Constitution.

PROPOSAL AND ISSUES

Article 11 of the Constitution

4. This report recommends the functions of the Monitoring Officer in Article 11 of Part 2 of the Constitution be updated to reflect the recommendations of the Defend Council Homes Unit's report approved by Cabinet in January 2021. The update is detailed in Appendix 1.

The Departmental Register of Authorities

5. The Departmental Register of Authorities is regularly updated to reflect changes in organisational structure, job titles, and any recent changes in legislation. The latest updates are outlined in Appendix 2.

Contract Standing Orders

6. This report recommends:
 - Changes to reflect the usage of the new notices portal (Find a Tender) instead of OJEU (under EU).
 - Changes to reflect the governments PPN11/20 that allows us to reserve under threshold contracts to local suppliers within Greater London and/or SMEs.
 - Changes to clarify the modifications of contracts section.
 - Social Value was changed from 5% of the quality to 10% overall to reflect the Council's Social Value Policy.
7. The full text of the changes can be found in Appendix 3.

Equality Implications

8. There are no anticipated negative implications for groups with protected characteristics, under the Equality Act 2010, by the approval of the amendments recommended in this report. Officers have considered the equalities impact of this decision to be neutral.

List of Appendices:

- Appendix 1 – Update to Article 11 of the Constitution
- Appendix 2 – Updates to the Departmental Register of Authorities
- Appendix 3 – Amendments to Contract Standing Orders

Appendix 1 – Update to Article 11 of the Constitution

In Article 11 (Part 2 of the Constitution), under 11.8 Functions of the Monitoring Officer, insert the following:-

- (i) Overseeing compliance with the Defend Council Homes Policy.

Appendix 2 – Updates to the Departmental Register of Authorities

This report recommends the following changes to the Economy Departmental Register of Authorities:-

Pursuant to the provisions of the Council’s Scheme of Delegations to officers, private sector housing standards officers and managers are authorised to perform the relevant functions and powers specified including:

- to carry out investigations under the various provisions in order to determine the necessary course of action
- to carry out the relevant powers of entry for the various provisions, including where appropriate applying for a warrant of entry and carrying out entry of premises under such a warrant
- to sign and serve appropriate notices and orders under the various provisions and all subordinate regulations and ancillary sections
- to initiate and supervise arrangements for works in default
- to make demands for payment for the costs of works in default and / or for financial penalties in prescribed circumstances agreed in advance with a manager
- to authorise works in default (Managers only)
- to impose financial penalties other than fixed penalty notices (Managers only)
- to initiate prosecution proceedings (Managers only)

Legislation	Function	Authorised officers
GENERAL		
Local Government (Miscellaneous Provisions) Act 1976	Section 16 Power to obtain particulars of persons interested in land	Private Housing Standards Officers and Private Sector Housing Managers
Protection from Eviction Act 1977	Section 7 Power to require name and address of landlord to be provided Section 1 Power to initiate proceedings for unlawful eviction or harassment	Private Housing Standards Officers and Private Sector Housing Managers
Local Government (Miscellaneous Provisions) Act 1982	Section 29 Power to undertake works to a building to prevent unauthorised entry	Private Housing Standards Officers and Private Sector Housing Managers
DRAINAGE AND CLEANSING; UTILITIES		
Local Government (Miscellaneous Provisions) Act 1976	Section 33 Power to reinstate gas, electricity and water supplies. Section 35 Power to serve notices requiring removal of obstructions from private sewers	Private Housing Standards Officers and Private Sector Housing Managers
Building Act 1984	Section 59 Provision as to drainage of existing buildings -	Private Housing Standards Officers and Private Sector

	<p>service of notices requiring satisfactory provisions, etc. Section 60 Provisions as to soil pipes and ventilation shafts - service of notices requiring remedial works.</p> <p>Section 64 Buildings having insufficient closet accommodation or closets so defective as to require reconstruction - Service of notices requiring remedial works.</p> <p>Section 84 Yards and passages to be paved and drained - service of notices requiring remedial works.</p>	Housing Managers
Public Health Act 1936	<p>Section 45 Building having defective closets capable of repair – power to serve of notices requiring remedial works.</p> <p>Section 48 Power to examine and test drains believed to be defective.</p> <p>Section 78 Cleansing of courtyards yards and passages - service of notices notifying works, carrying out works and requiring payment for the costs of works</p> <p>Section 79 Removal of noxious matter from premises - service of notices requiring remedial works, carrying out works in default and requiring payment for the costs of works in default.</p>	Private Housing Standards Officers and Private Sector Housing Managers
Public Health Act 1961	<p>Section 17(3) Power to serve notice requiring the remedy of stopped-up drains and the repair of drains and private sewers.</p> <p>Section 22 Power to cleanse or repair drains.</p> <p>Section 34 Power to serve notices and take action in respect of accumulations of rubbish.</p> <p>Section 74 Power to deal with various birds causing nuisance etc.</p>	Private Housing Standards Officers and Private Sector Housing Managers

Public Health Act 1936 as amended by Section 35 of the Public Health Act 1961	<p>Section 83 Cleansing of filthy and verminous premises – power to serve notices requiring remedial works, carrying out works in default and requiring payment for the costs of works in default.</p> <p>Section 84 Power to take remedial action in respect of cleansing of verminous articles.</p> <p>Section 85 Power to take action in respect of verminous persons.</p>	Private Housing Standards Officers and Private Sector Housing Managers
NUISANCES AND PEST CONTROL		
Prevention of Damage by Pests Act 1949	<p>Section 4 Power to serve notices requiring action by owners or occupiers in respect of rats and mice.</p> <p>Section 5 Power to carry out works in default and require payment for the costs of works in default.</p> <p>Section 6 Power to take action in relation to groups of premises for the destruction of rats and mice, etc.</p>	Private Housing Standards Officers and Private Sector Housing Managers
Anti-Social Behaviour, Crime and Policing Act 2014	Power to serve Community Protection Warnings and Notices under sec 43 Part 4 of the Anti-Social Behaviour, Crime and Policing Act 2014.	Private Housing Standards Officers and Private Sector Housing Managers
Town and Country Planning Act 1990	s.215 - Power to require proper maintenance of land	Private Housing Standards Officers and Private Sector Housing Managers
Environmental Protection Act 1990	Power to investigate s.79 Statutory Nuisances and to serve notices under s.80; and power of entry and default powers in Schedule 3	Private Housing Standards Officers and Private Sector Housing Managers
GAS, ELECTRICITY AND ENERGY EFFICIENCY		
The Gas Safety (Installation and Use) Regulations 1998	Power to investigate offences, serve notices and initiate proceedings under s.35 and 36 (duty of employers and landlords to check gas appliances for safety and keep records)	Private Housing Standards Officers and Private Sector Housing Managers
The Smoke and Carbon Monoxide Alarm (England) Regulations 2015	Sec 5 Power to serve a remedial notice, serve notices and initiate proceedings for non-compliance	Private Housing Standards Officers and Private Sector Housing Managers
Electrical Safety Standards in the Private Rented Sector	Power to investigate offences, serve notices and initiate proceedings for non-compliance	Private Housing Standards Officers and Private Sector Housing Managers

	<p>Section 28 Power to serve Hazard Awareness Notice relating to Category 1 hazards.</p> <p>Section 29 Power to serve Hazard Awareness Notice relating to Category 2 hazards.</p> <p>Section 40 Power to take Emergency Remedial Action in respect of Category 1 hazards.</p> <p>Section 49 Power to charge for certain enforcement action.</p> <p>Section 235 Power to require documents to be produced.</p>	
Housing Act 2004 (continued)	<p>LICENSING OF HMOs</p> <p>Section 62 Power to grant temporary exemptions from licensing requirement.</p> <p>Section 64 and 88 Power to grant or refuse a Licence.</p> <p>Section 67 and 90 Power to require Licence conditions.</p> <p>Section 69 and 92 Power to vary Licence.</p> <p>Section 70 and 93 Power to revoke Licence.</p>	Private Housing Licensing Officers, Private Housing Standards Officers and Private Sector Housing Managers
Housing Act 2004	<p>Section 20 and 21 Power to make Prohibition Orders relating to Category 1 or 2 hazards.</p> <p>Section 23 Power to suspend a Prohibition Order.</p> <p>Section 26 Power to review a suspended Prohibition Order</p> <p>Section 25 Power to revoke or vary a Prohibition Order.</p> <p>Section 43 Power to make Emergency Prohibition Order in respect of Category 1 hazards.</p> <p>Section 249A and Schedule 13A Power to impose a financial penalty for a relevant housing offence under Housing Act 2004 (as amended by the Housing and Planning Act 2016, namely:</p> <p>(a) section 30 (failure to comply with improvement notice)</p> <p>(b) section 72 (licensing of</p>	Private Sector Housing Managers

	<p>HMOs)</p> <p>(c) section 95 (licensing of houses under Part 3) – selective licencing</p> <p>(d) section 139(7) (failure to comply with overcrowding notice), or</p> <p>(e) section 234 (management regulations in respect of HMOs).</p> <p>Power to initiate prosecution proceedings for any offences in the Housing Act 2004</p> <p>Power to carry out works in default and recover expenses under Schedule 3</p>	
Housing Act 2004	<p>Section 102 Power to make Interim Management Order.</p> <p>Section 111 Power to vary Interim Management Order.</p> <p>Section 112 Power to revoke Interim Management Order.</p> <p>Section 113 Duty and power to make a final Management Order.</p> <p>Section 121 Variation of final Management Order.</p> <p>Section 122 Revocation of final Management Order</p>	Private Sector Housing Managers
Management of Houses in Multiple Occupation (England) Regulations 2006	<p>Reg 6 – Power to make written request for gas safety record</p> <p>Power to initiate proceedings for breach of the regulations</p>	Private Housing Standards Officers and Private Sector Housing Managers
EMPTY DWELLINGS		
Housing Act 2004 sections 133 to 137	<p>Power to make applications for Interim Empty Dwelling Management Orders and to make Final EDMOs</p> <p>Power to make management arrangements and carry out works in default and carry out the Council's duties under Interim and Final EDMOs</p>	Private Sector Housing Managers
Housing Act 1985 section 17	Power to initiate proceedings with a view to Compulsory Purchase of empty dwellings for housing purposes	Private Sector Housing Managers



Contract Standing Orders

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Section A - Scope of the Contract Standing Orders

1. BASIC PRINCIPLES

- 1.1. These Contract Standing Orders (CSOs) are made pursuant to [section 135](#) of the Local Government Act 1972. They apply to all Council staff and external consultants with responsibility for letting contracts.
- 1.2. Words or phrases that begin with an initial capital letter, initialisms and acronyms are defined in [APPENDIX 1: Glossary](#).
- 1.3. Clear and consistent lines of management accountability must be demonstrable and enforced. We need to embed a new ruthlessly financially efficient mindset which shows we have zero tolerance, right across the Council, for non-compliance with Contract Standing Orders, Financial Regulations and controls.
- 1.4. Officers with responsibility for buying goods or purchasing services or procuring works, entering into concession arrangements, modifying or extending contracts or otherwise dealing with contract arrangements must comply with the minimum requirements established by these CSOs. The aims of these CSOs are to promote good purchasing practice, public accountability and transparency, to support the delivery of Council's objectives and priorities, to ensure that the Council obtains value for money, compliance with legislation and to deter corruption. Following the rules is the best defence against allegations that a decision has been made incorrectly or fraudulently. Failure to follow them may result in disciplinary action being taken or even criminal proceedings.
- 1.5. Every contract entered into by the Council must be in connection with a Council function and shall be procured in accordance with all relevant legislation [including procurement Regulations including EU Regulations](#). These CSOs have been written to reflect the current legislative requirements; however, in the event of any inconsistencies between these CSOs and the requirements of the Regulations the latter will take precedence.
- 1.6. Where you consider there is any ambiguity in these CSOs please let the Head of Procurement know, who will determine any such query following consultation with the Director of Resources.
- 1.7. Each Strategic Leadership Team (SLT) Member must take immediate action in the event of breach of these CSOs by reporting this breach to the Head of Procurement. It will be the responsibility of the Head of Procurement to determine the nature of the breach. If it is deemed to be serious (e.g. involving a Key Decision, or where a corrupt/criminal act is suspected) the Head of Procurement will refer the matter to the Director of Audit, Fraud, Risk and Insurance for investigation with view to identifying the steps to be taken to avoid a recurrence and to ensure appropriate action is taken.

2. WHAT TRANSACTIONS DO THESE CONTRACT STANDING ORDERS APPLY TO?

- 2.1. These CSOs apply to all contractual arrangements made by, or on behalf of, the Council for the carrying out of works or for the supply of goods, materials or services. This includes all types of procurements, re-lets, direct awards, variations, novations, extensions and any other contractual transactions which the Council enters into.
- 2.2. However, they only apply where the Council is **providing** goods, works or services to another to the limited extent set out in [CSO 34](#). All the other provisions relate to where the Council is the purchaser.
- 2.3. These CSOs do not apply to contracts relating to:
 - 2.3.1. An employee's individual terms of employment,
 - 2.3.2. the acquisition, disposal, or transfer of land (to which Financial Regulations will still apply),

or

2.3.3. the making of grants.

2.4. Special cases, relating to the:

- (a) engagement of solicitor/barristers, or adjudicators/arbitrators in construction disputes,
- (b) supply of personal and social care services to a single individual,
- (c) where the Council is **providing** goods and services to another,

are set out in [Section H](#) below. These special cases only have to comply with the provisions of [Section H](#).

3. ESTIMATING CONTRACT VALUES

3.1. The procedures which apply to Contracts are different, depending on their value. Therefore, producing a contract estimate is the very first thing to do when considering if a contract needs to be put in place. For a High Value Contract you also need to ascertain whether the contract spend will be from Capital or Revenue.

3.2. The value of a Contract is the total estimated spend throughout the lifetime of the proposed contract including any anticipated extensions. It is not the annual value. See [Appendix 3](#) for more details on calculating the value of a contract.

3.3. Where the Contract is a concession contract (e.g. to run a café open to the public or other facility where service users are charged) special rules apply – see Appendix 3.

3.4. For the purposes of these CSOs the procedures are split as follows:

3.4.1. Low Value Contracts valued at below £50,000 - see [Section B](#);

3.4.2. Medium Value Contracts valued at £50,000 up to the Services Threshold (currently £189,330¹) - see [Section C](#); and

3.4.3. High Value Contracts valued at above the Services Threshold (currently £189,330) – see [Section D](#).

3.5. Where you know that there are, or will be, similar or recurrent transactions for the same goods, services or works the value of those similar/ recurrent transactions must be aggregated to determine the value of the overall transaction.

3.6. Estimates of contract value must not be manipulated by artificially dividing the contract requirement into smaller contracts or lots, whether or not this is done with the intention of avoiding competition or a particular decision-making route. However, having smaller contracts to make these genuinely attractive to suppliers based in the borough or other SMEs may be allowed, as would encouraging bidders on larger contracts to use local supply chain/labour as part of their bid; take advice from the Head of Procurement.

4. IDENTIFYING A BUSINESS NEED AND PROCUREMENT PRINCIPLES

4.1. Under the [Local Government \(Contracts\) Act 1997](#), local authorities can enter into contracts with third parties in connection with any of their functions. However, first the SLT Member must be able to demonstrate there is a business need for the proposed Contract.

4.2. Being Ruthlessly Financially Efficient means our three financial obsessions are:

4.2.1. Necessity - what would happen if the spend isn't approved?

¹ Enforced from 1 January 2020.

- 4.2.2. Value for money - how much really needs to be spent and could this be a one-off cost?
- 4.2.3. Collaboration - who is responsible? Can partners and other organisations share the costs?
- 4.3. Having identified a business need for works, goods or services, the SLT Member must consider whether:
- 4.3.1. to seek a new contractual arrangement with an external provider; or
 - 4.3.2. to provide, deliver and manage the service or works or make the goods within the Council (i.e. an in-house delivery model); or
 - 4.3.3. to procure the services through arrangements made by another public sector provider;
 - 4.3.4. to enter into a shared service agreement; or
 - 4.3.5. the required goods, services or works are covered within the scope of any contractual arrangements the Council already has in place, provided that such Contract allows for extra goods, services or works to be included or added, and there is no breach of the Regulations (approval for a contract modification under these CSOs may also be required).
- 4.4. If a decision is made that the services, works or goods can be resourced in-house then in law there is no award of a Contract and so these CSOs no longer apply (although under Financial Regulations, other parts of the Constitution, or good governance practice, a formal approval report may still be required). Otherwise, the process followed must follow these CSOs, including that any Reports required must be prepared and submitted in accordance with these CSOs. [Report templates are available on the Intranet.](#)
- 4.5. Unless otherwise agreed by the Head of Procurement, all procurement exercises over £10,000 will be undertaken using the Council's e-tendering system. This includes call-offs from Frameworks or DPS.
- 4.6. All procurements (including Quotes) must be carried out in a fair, open and transparent manner. All procurement exercises over £10,000 must have a fixed closing date, the same for every participant, set up on the capital e-sourcing system. The Head of Procurement will make appropriate arrangements for the opening of Tenders via capital e-sourcing, which includes the verification of the contract sum stated in each Tenderer's Form of Tender against other information submitted.
- 4.7. Where a procurement exercise is for a High Value Contract, a formal Tender Appraisal Panel (TAP) must be set up to ensure that the Council receives value for money and to demonstrate transparency.
- Social Value: there is an obligation on all local authorities to consider social value during the letting of all service contracts. This is set out in the [Public Services \(Social Value\) Act 2012](#). It does not apply to contracts proposed to be called off a Framework. The Council's policy on Social Value must be complied with to ensure that the Act is complied with.

————— **Local and SME/VCSE Provision²:**

- 4.8. ————— Where possible for Medium Value and High Value Contracts which are below the Relevant Thresholds, SLT Member shall consider whether or not to reserve the procurement to local businesses based within the Greater London area or UK-wide and/or Small and Medium sized Enterprises (SMEs) /Voluntary, Community and Social Enterprises (VCSEs) (“Local and SME/VCSE Provision”) as follows:
- 4.8.1. Reserve the procurement by supplier location - this means running the procurement- and specifying that only suppliers located in the Greater London area can bid. Supplier location is determined by -where the supplier is based or established and has substantive business operations and not by location of corporate ownership.
 - 4.8.2. Reserve the procurement for Small and Medium sized Enterprises (SMEs) /Voluntary,

² Introduced to reflect PPN11/20 for Contracts above £50,000 and below the Relevant Threshold

Community and Social Enterprises (VCSEs) - this means being able to run a competition and specify that only SMEs and VCSEs can bid.

4.9. The SLT Member shall consider the merits of local and/or SME/VCSE provision on a case-by-case basis and shall carry out a pre-procurement assessment and complete a checklist with an aim to :

4.9.1. assess the sector / market and consider the ability of the market to provide the quantity and quality of the services, goods or works required;

4.9.2. identify whether there is a market available locally and that it is of sufficient size to ensure that there are at least three companies capable of providing the services/goods/works locally;

4.9.3. identify and manage associated risks, including fraud and corruption.

If the SLT Member's assessment concludes that the contract may be reserved to Local and/or SME/VCSE Provision the procedures set out in CSO 9 for Low Value Contracts and CSO 13 for Medium Value Contracts shall be followed when advertising.

4.10. The SLT Member may chose to award on the basis of locality or SME/VCSEs or both of these together. The procurement documentation must be clear about any intention to reserve the procurement, for example by including the standardised definitions of SME / VCSE and supplier location outlined in the Council's standard documentation.

4.8.4.11. The SLT Member may still choose to compete below threshold contracts on an open basis without any reservation for supplier type or supplier location.-.

4.9.4.12. In order to ensure value for money, SLT Members are not permitted to direct award when reserving procurements.

5. SLT MEMBERS' RESPONSIBILITIES

5.1. These CSOs must be strictly complied with; they are the Council's minimum requirements. A more thorough procedure may be appropriate for a particular Contract.

5.2. SLT Members have responsibility for all Contracts put in place within their Departments. **This includes seeking advice on the proposals in draft reports before they are sent to officers for statutory comments and implications.** Each SLT Member is accountable to the Cabinet for the performance of their duties in relation to procurement strategy, contract approval and management, including those matters set out in [Appendix 6](#). The following conditions must be observed:

5.2.1. all procurement exercises and awarded Contracts must be recorded on the e-tendering system;

5.2.2. officers need to have training to ensure they know how to use the e-tendering system;

5.2.3. ensuring appropriate arrangements are in place within his/her department for the storage of original Contracts not sealed as a Deed once completed (signed and dated). All original contracts exceeding £30,000 should be passed to Legal Services who will enter the details onto the Contracts Register and store the original contract offsite;

5.2.4. an electronic copy of all completed contracts over £10,000 must be saved on the Corporate /Contracts Register.

5.3. The SLT Member can authorise any officer within their Department to act on their behalf. However, such authority will not affect their accountability for actions taken in their name. **As a result, these Contract Standing Orders are addressed throughout to the SLT Members. However, it is recognised that in practice these Contract Standing Orders will be implemented by staff (including consultants) within the SLT Member's department.**

5.4. Throughout the CSOs there are requirements for formal decisions to be taken. This is undertaken

by preparing a report recommending a decision and this demonstrates an audit trail of the decision once taken. [Report templates are available on the Intranet](#). Various departments input into these reports and it is for the SLT Member to ensure that those departments are consulted. Implication sections from the consulted department cannot be inserted on their behalf and under no circumstances should Implication sections be amended by anyone other than the author of those comments. The Head of Procurement must be sent the report once finalised and approved.

6. CONFLICTS OF INTEREST

- 6.1. [Part 5 of the Constitution](#) incorporates Codes of Conduct of both Officers and Members, these state what interests are to be declared when the member is elected/ the officer is appointed and the need to keep these updated as circumstances change.
- 6.2. The need to ensure that any procurement process is conducted fairly means that extra responsibilities are put on those running a procurement. The SLT Member should ensure that for all procurements of Medium and High Value Contracts, including direct awards, all officers and consultants involved complete a declaration confirming they (or their spouse/partner) do not have pecuniary interests or non-pecuniary interest which could conflict with the interests of the Council in securing a fair procurement. The declarations should be saved on the e-tendering portal.
- 6.3. If a Member or an officer of the Council or a consultant working on the Council's behalf becomes aware that a Contract in which they have an interest is being re-tendered or has been or is proposed to be entered into by the Council, they shall immediately give written notice to the Monitoring Officer. Such written notice is required, irrespective of whether the pecuniary interest is direct or indirect. Consideration will then be given as to the appropriate action.
- 6.4. The Monitoring Officer shall maintain a record of all declarations of interests notified by Members and officers.

7. PREVENTION OF CORRUPTION

- 7.1. All Council officers and Members must comply with the relevant [Code of Conduct](#) and the Council's anti-fraud and corruption strategy and must not invite or accept any gift or reward in respect of the award or performance of any Contract. It will be for the officer/ Member to prove that anything received was not received corruptly.
- 7.2. High standards of conduct during a procurement are obligatory. While in the normal course of events, gifts and hospitality from suppliers can be accepted provided that they are declared in accordance with the Gifts and Hospitality Policy, while a tender process is ongoing, such hospitality should be declined. Corrupt behaviour will lead to dismissal and can be fraud or another crime under the statutes referred to in 7.3. Such matters will be investigated and appropriate action taken, including legal proceedings.
- 7.3. The Head of Law shall ensure that all contract conditions contain robust terms that will allow the Council to terminate a contract where there have been acts relating to fraud, bribery, or corruption as defined under the [Bribery Act 2010](#), and/or section 117(2) of the [Local Government Act 1972](#); and/or the contractor/supplier has committed an act which is an offence under the [Enterprise Act 2002](#). More information about the Bribery Act is available in the Council's Anti-Bribery Policy or speak to the Head of Fraud.

Section B - Low Value Contracts up to £50,000

8. LOW VALUE CONTRACTS

8.1. Contracts valued at up to £50,000 are to be procured and awarded as set out in this [Section B](#). However, there are special cases set out in [Section H](#).

8.1.1. Before any contract is considered the SLT Member must be satisfied there is a business need for the contract (see [CSO 4](#)). The SLT Member must also ensure that a contract estimate is calculated and recorded and be satisfied that the estimated contract value is below £50,000. If the contract value could be £50,000 or greater the process for Medium Value Contracts should be followed.

9. ADVERTISING PROCESS AND COMPETITION REQUIREMENT FOR ALL LOW VALUE CONTRACTS

9.1. The SLT Member is responsible for ensuring value for money in all procurement matters. The following competition requirements have been set considering the contract value and to achieve value for money. The SLT Member must meet these requirements for all Low Value Contracts:

Estimated Value	Advertising Requirement	Competition requirement ³
£1 to £10,000	None	Either: <ul style="list-style-type: none"> ○ At least one written Quotation obtained with preference to sourcing from providers based in the borough; or ○ Call-off from suitable third party or Hammersmith & Fulham Framework or DPS (rules of the Framework or DPS to be followed).
£10,000 to £49,999	None	Either: <ul style="list-style-type: none"> ○ Written Quotations or Tenders with a minimum of three companies invited to Quote or Tender through the e-tendering system with a preference to sourcing from providers based in the borough; or ○ Advertised opportunity inviting Quotations or Tenders – use e-tendering system and Contracts Finder (latter within 24 hours of appearing in e-tendering system); or ○ Call off from suitable third party or Hammersmith & Fulham Framework or DPS using the e-tendering system.

9.2. For recurring Low Value Contracts SLT Members may consider establishing an Approved List or Dynamic Purchasing System (subject to approval from the Head of Procurement and other appropriate approval) to reflect the aggregated estimated value of goods, work or services estimated as likely to be procured through the Approved List or DPS.

³ If the Contract involves works to housing premises where the Council could make recovery of costs from leaseholders pursuant to s20 of the Landlord and Tenant Act 1985 the rights of the leaseholders must be taken into account when considering the competition for the works. Failure to consult as required by the Service Charges (Consultation Requirements) (England) Regulations 2003 means that the Council’s ability to recover costs from leaseholders is limited to £100/£250 depending upon the proposed arrangement for delivering the Works. Take appropriate advice, especially where you are thinking of using a Framework, Approved List or DPS.

10. APPROVAL PROCESS FOR LOW VALUE CONTRACTS

- 10.1. SLT Members approve the award of all Low Value Contracts within their area, once [CSO 9](#) has been complied with.
- 10.2. The SLT Member must ensure that a written record is prepared of the procurement process followed, to accompany the request for approval of the award of contract, to include:
 - 10.2.1. a description of the competition process that was adopted and confirmation that this was in accordance with [CSO 9](#);
 - 10.2.2. a report on the results of the competition and the Quotations or Tenders received;
 - 10.2.3. the registered name of the contractor to be awarded the Contract;
 - 10.2.4. details of the contract price and relevant budget that will be funding the Contract;
 - 10.2.5. commencement and expiry dates.
- 10.3. Details of all contracts that have a value of £5,000 or greater must be published by the SLT Member in the Corporate Contracts Register on the e-tendering system in accordance with the [Transparency Regulations 2015](#) and the [Local Government Transparency Code 2015](#) published by the Department for Communities & Local Government.
- 10.4. In addition, an electronic copy of the completed (dated) Contract, where valued at £10,000 or more, must be uploaded to the Contracts Register along with a copy of the record referred to at [CSO 10.2](#).
- 10.5. Except for out of hours purchases or minor expenses, no telephone orders are to be placed for goods, works or services, unless otherwise agreed by the Head of Procurement. A purchase order number must be provided to the supplier at the time of the order.

Section C - Medium Value Contracts - £50,000 to Below Services Threshold

11. MEDIUM VALUE CONTRACTS

11.1. Contracts valued between £50,000 and the Services Threshold (currently £189,330⁴) are to be procured and awarded as set out in this [Section C](#). However, there are special cases set out in [Section H](#).

11.2. Before any Medium Value Contract is considered the SLT Member must:

11.2.1. -be satisfied there is a business need for the contract (see [CSO 4](#));

11.2.2. ~~The SLT Member must also~~ ensure that a contract estimate is calculated and recorded and be satisfied that the estimated contract value is between £50,000 and the Services Threshold (currently £189,330). If it could be greater the process for High Value Contracts should be followed;

~~11.1.1-11.2.3.~~ make an assessment in accordance with CSO 4.8 to CSO 4.12 ~~CSO 4.10 to 4.13~~ as to whether the contract may be reserved to Local and SME/VCSE suppliers-

12. PROCUREMENT STRATEGY FOR MEDIUM VALUE CONTRACTS

12.1. The SLT Member decides upon the most appropriate Procurement Strategy. Once the Procurement Strategy is decided upon, a Tender Appraisal Panel (TAP) must be established to take responsibility for managing all aspects of the procurement process. The provisions of [paragraph 39](#) of [Appendix 8](#) shall apply to the TAP and the Tender process.

13. ADVERTISING PROCESS AND COMPETITION REQUIREMENT FOR ALL MEDIUM VALUE CONTRACTS

13.1. The SLT Member is responsible for ensuring value for money in all procurement matters. The following competition requirements have been set in light of the contract value and in order to achieve value for money:

Type of Medium Value Contract	Competition requirement ⁵	Advertising Requirement
Supplies/Services	<ol style="list-style-type: none"> 1. Invitation without pre-qualification stage to submit Tenders. <u>Where Local and SME/VCSE Provision is assessed and considered suitable, the procurement shall be reserved to local suppliers and/or SMEs/VCSEs</u> 2. Call off from suitable third party or Hammersmith & Fulham Framework or DPS (rules of the Framework or 	For 1: Advertised opportunity – use capital e-sourcing and Contracts Finder (latter within 24 hours of appearing in e-tendering system)

⁴ Enforced from 1 January 2020.

⁵ If the Contract involves works to housing premises where the Council could make recovery of costs from leaseholders pursuant to s20 of the Landlord and Tenant Act 1985 the rights of the leaseholders must be taken into account when considering the competition for the works. Failure to consult as required by the Service Charges (Consultation Requirements) (England) Regulations 2003 means that the Council’s ability to recover costs from leaseholders is limited to £100/£250 depending upon the proposed arrangement for delivering the works. Take appropriate advice, especially where you are thinking of using a Framework, Approved List or DPS.

Type of Medium Value Contract	Competition requirement ⁵	Advertising Requirement
	DPS to be followed)	
Works and Maintenance Services for assets eg housing repairs and FM (except information technology)	1. Invitation to submit Quotations through the e-tendering system (though Tenders can be invited where considered appropriate). Or 2. Call off from suitable third party or Hammersmith & Fulham Framework or DPS (rules of the Framework or DPS to be followed)	For 1: Advertised opportunity – use capital e-sourcing and Contracts Finder (latter within 24 hours of appearing in e-tendering system) <u>Where Local and SME/VCSE Provision is assessed and considered suitable, the procurement shall be reserved to local suppliers;</u> OR Invite at least four written Quotes or Tenders preferably from suppliers based in the borough For 2: Follow the rules of the Framework/DPS and use the e-tendering system for all mini-competitions

13.2. The procurement process for all Medium Value Contracts must be run without any pre-selection (pre-qualification) stage. This is sometimes called open or single-stage tendering. However, the asking of questions during any Tender exercise about whether the provider meets the Council's minimum requirements of suitability, capability, legal status and financial standing (see reg 111 of the Regulations).

14. TENDER DOCUMENTATION

14.1. The SLT Member must prepare a specification and all appropriate Quote or Tender documentation using the Council's standard form documentation. Amendments to the Council's standard form documentation must be agreed with the Head of Procurement or, in appropriate cases, Head of Law. The award criteria must relate specifically to the contract to be procured and shall be based on the most economically advantageous tender.

14.2. See also [Appendix 3](#) of these CSOs concerning the contents of the terms and conditions of contract.

14.3. For recurring Medium Value Contracts SLT Members may consider establishing a Council Framework or Dynamic Purchasing System subject to approval from the Head of Procurement and after appropriate approval to reflect the aggregated estimated value of goods, works or services to be placed through the Framework or DPS.

14.4. It is not anticipated that there will be interviews with tenderers on a Medium Value contract. However, if there are, full records of the interview must be kept and the purpose of the interviews and how they will be used in the evaluation process must be set out in the Invitation to Tender.

15. APPROVAL PROCESS FOR AWARD OF MEDIUM VALUE CONTRACTS

15.1. All contract awards over £100,000 must be submitted to the Contracts Assurance Board before being submitted for approval to the decision maker. The Contracts Assurance Board may:

- 15.1.1. Recommend that the SLT member approve the report
- 15.1.2. Provide advice and/or make recommendations to the report author and request an updated report for consideration
- 15.1.3. Recommend that the SLT member does not approve the report where the Council's priorities are not achieved.
- 15.2. SLT Members approve the award of all Medium Value Contracts within their area, once CSO 13 has been complied with.
- 15.3. If the value of the Contract to be awarded is more than 10% higher than the initial estimated value of the Contract and over the Service Threshold, the SLT Member must consult the Head of Procurement before the decision is taken.
- 15.4. The SLT Member must prepare an award report in the standard form. [Report templates are available on the Intranet.](#)
- 15.5. The award report must contain the comments of the Director of Finance, the Director of Audit, Risk, Fraud and Insurance and the Head of Law.
- 15.6. Provided that the SLT Member approves the award report the Contract shall be awarded by way of a notification via the e-tendering system and:
 - 15.6.1. Where the value of the contract is below £100,000, then unless the Head of Law considers otherwise, it will be entered as a simple agreement signed by the relevant SLT Member (electronic signatures are permitted);
 - 15.6.2. Where the value of the contract is £100,000 or more, the Head of Law will arrange for the Contract to be sealed on behalf of the Council where this is appropriate, and a link to the award report as published on the Council's website must be provided with the request for sealing.
- 15.7. For all Medium Value Contracts, the Contract documentation must be concluded (including the formal execution of contracts by both/ all parties) before its commencement. Only in exceptional circumstances, and then only with the written consent of the Head of Law, may a contract commence on the basis of an exchange of correspondence.
- 15.8. An electronic copy of the completed (dated) Contract must be uploaded to the Contracts Register along with a copy of the award report. A Contract must be kept for six years after the end of the Contract.
- 15.9. Documents which relate to the procurement process should be kept for a minimum period of 12 months, provided there is no dispute about the award (these may be stored electronically).
- 15.10. The SLT officer must ensure a record is kept of:
 - 15.10.1. pre-tender market research (if any);
 - 15.10.2. the subject-matter and value of the contract, Framework Agreement or DPS;
 - [15.10.3. when a Local and SME/VCSE Provision has been identified a copy of the checklist completed prior to advertisement;](#)
 - [15.10.4. actions taken to identify and manage associated risks, including fraud and corruption;](#)
 - ~~15.10.3-15.10.5.~~ [15.10.5.](#) where applicable, the results of the qualitative selection and reduction of numbers [including supplier due diligence checks;](#)
 - ~~15.10.4-15.10.6.~~ [15.10.6.](#) the names of the selected candidates or tenderers and the reasons for their selection;
 - ~~15.10.5-15.10.7.~~ [15.10.7.](#) the names of the rejected candidates or tenderers and the reasons for their rejection;

- ~~15.10.6-15.10.8.~~ 15.10.8. the name of the successful tenderer and the reasons why its tender was selected;
- ~~15.10.7-15.10.9.~~ 15.10.9. where applicable, the reasons why the contracting authority has decided not to award a contract or Framework Agreement or to establish a dynamic purchasing system;
- ~~15.10.8-15.10.10.~~ 15.10.10. where applicable, the reasons why means of communication other than electronic means have been used for the submission of tenders;
- ~~15.10.9-15.10.11.~~ 15.10.11. where applicable, conflicts of interests detected and subsequent measures taken;
- ~~15.10.10-15.10.12.~~ 15.10.12. clarification (and where appropriate post-tender negotiation) (to include minutes of meetings);
- ~~15.10.11-15.10.13.~~ 15.10.13. the contract documents;
- ~~15.10.12-15.10.14.~~ 15.10.14. simple and proportionate KPIs and data reporting mechanisms included in the contract;
- ~~15.10.13-15.10.15.~~ 15.10.15. post-contract evaluation and monitoring; and
- ~~15.10.14-15.10.16.~~ 15.10.16. written records of communications with Candidates and with the successful Candidate(s).

Section D - High Value Contracts – over the Services Threshold

16. HIGH VALUE CONTRACTS

- 16.1. Contracts valued over the Services Threshold (currently £189,330⁶) are to be procured and awarded as set out in this [Section D](#). However, there are special cases set out in [Section H](#).
- 16.2. Before any High Value Contract is considered the SLT Member must be satisfied there is a business need for the contract (see [CSO 4](#)). The SLT Member must also ensure that a contract estimate is calculated and recorded, which will determine the process to be followed to approve the procurement strategy and the contract award.

17. PREPARING FOR HIGH VALUE CONTRACTS – SERVICE REVIEW TEAM

- 17.1. For every High Value Contract, the SLT Member shall establish a Service Review Team comprising:
- 17.1.1. Contract Officer,
 - 17.1.2. client-side officers,
 - 17.1.3. relevant stakeholders, and
 - 17.1.4. relevant professional officers (including legal, finance, procurement, IT and HR as appropriate) including external advisers as applicable and warranted.
- 17.2. The Service Review Team shall take responsibility for all pre-procurement related activity as set out in [Appendix 8](#) including:
- 17.2.1. carrying out preliminary market consultation and consultation, and coming to a decision as to whether a new contract arrangement is to be procured or that the business need is to be met within the Council;
 - 17.2.2. researching available Frameworks and DPS, or considering whether an existing contract can be varied to add in the new business need (advice to be taken from the Head of Procurement in these cases, and the Head of Law if appropriate);
 - 17.2.3. developing the [Procurement Strategy](#);
 - ~~17.2.4.~~ 17.2.4. identifying whether the Contract will be paid for from Capital or Revenue;
 - ~~17.2.4-17.2.5.~~ 17.2.5. **for High Value Contracts for works which are below Works Threshold only, make an assessment in accordance with CSO 4.10 to 4.13 as to whether the contract may be reserved to Local and SME/VCSE suppliers;** and
 - ~~17.2.5-17.2.6.~~ 17.2.6. maintaining records of all internal and external meetings.

18. PROCUREMENT STRATEGY APPROVAL PROCESS FOR HIGH VALUE CONTRACTS

- 18.1. Prior to starting any tendering exercise for a High Value Contract, the Service Review Team must prepare a report ([template on the Intranet](#)) for approval of the Procurement Strategy for the procurement. This is submitted as follows:

⁶ Enforced from 1 January 2020

Capital Contracts	Procurement Strategy Approval
Services Threshold (currently £189,330 ⁷) to £1.5m	Chief Executive/SLT Member in consultation with the relevant Cabinet Member
£1,500,001 - £5m	The relevant Cabinet Member
In excess of £5m	Cabinet
Revenue Contracts	Procurement Strategy Approval
Services Threshold (currently £189,330) to £500,000	Chief Executive/SLT Member in consultation with the relevant Cabinet Member
£500,001-£5m	The relevant Cabinet Member
In excess of £5m	Cabinet

- 18.2. All procurement strategies must be submitted to the Contracts Assurance Board before being submitted for approval to the decision maker in accordance with CSO 18.1. Where the procurement strategy concerns a contract with estimate value in excess of £300,000 in value or the expenditure is otherwise significant, then it is a Key Decision (see Article 12 of the Constitution) and the report must be submitted to Committee Services for publication on the Council’s website.

19. ADVERTISING PROCESS FOR HIGH VALUE CONTRACTS

- 19.1. The SLT Member is responsible for ensuring value for money in all procurement matters. The SLT Member will use the methods for selecting potential bidders as set out below in the relevant table. All processes (including call- offs from Frameworks or a DPS) must be run through the Council’s e-tendering system, unless the Head of Procurement agrees otherwise. The process must be set out in the Procurement Strategy.

Requirements for “Supply and Service” Contracts (excluding “Social and Other Specific Services”)		
Value	Competition requirement	Advertising requirement
Above Services Threshold (currently £189,330)	Either: 1. Use of an existing Framework or DPS which is compliant with the Regulations; or 2. Procedure selected in accordance with the Regulations as approved through the Procurement Strategy.	For 1, Follow the rules of the Framework/DPS and use the e-tendering system for all mini-competitions For 2, all of the following: <ul style="list-style-type: none"> • Contracts Finder • Contract Notice published in Find a Tender Service • Opportunity listing on the e-tendering system webpage • Trade Journal (if SRT decides)

⁷ Enforced from 1 January 2020.

Requirements for “Social and Other Specific Services” as defined in Schedule 3 of the Regulations		
Value	Competition requirement	Advertising requirement
From Services Threshold (currently £189,330 ⁸)– up to the “Social and Other Specific Services” Threshold	<p>Either:</p> <p>1. The use of a suitable Framework or DPS;</p> <p>OR (<i>if not appropriate</i>)</p> <p>2. Either a single-stage (open) Tender procedure or two-stage (with pre-qualification stage) Tender procedure as set out in the Procurement Strategy. <u>Where Local and SME/VCSE Provision is assessed and considered suitable, the procurement shall be reserved to local suppliers and/or SMEs/VCSEs</u></p>	<p>For 1:</p> <p>Follow the rules of the Framework/DPS and use the e-tendering system for all mini-competitions</p> <p>For 2, all of the following:</p> <ul style="list-style-type: none"> • Contracts Finder • Opportunity listing on the e-tendering system webpage • Trade Journal (if TAP decides)
From the “Social and Other Specific Services” Threshold and above	<p>Either:</p> <p>1. Use of an existing Framework or DPS which is compliant with the Regulations;</p> <p>OR (<i>if not appropriate</i>)</p> <p>2. Procedure selected in accordance with the Regulations (regs 74-77) as approved through the Procurement Strategy.</p>	<p>For 1:</p> <p>Follow the rules of the Framework/DPS and use the e-tendering system for all mini-competitions</p> <p>For 2, all of the following:</p> <ul style="list-style-type: none"> • Contracts Finder • Contract Notice published in Find a Tender Service • Opportunity listing on the e-tendering system webpage • Trade Journal (if TAP decides)

Requirements for Works contracts (meeting the definition in the Regulations)		
Value	Competition requirement	Advertising Requirement
From Services Threshold (currently £189,330 ⁹) to Works Threshold (currently £4,733,252)	<p>Either:</p> <p>1. the use of a suitable Framework or DPS;</p> <p>OR (<i>if not appropriate</i>)</p>	<p>For 1:</p> <p>Follow the rules of the Framework/DPS and use the e-tendering system for all mini-competitions</p> <p>For 2:</p>

⁸ Enforced from 1 January 2020.

⁹ Enforced from 1 January 2020.

	<p><u>2.</u> Either a single-stage (open) tender procedure or two-stage (with pre-qualification stage) tender procedure as set out in the Procurement Strategy <u>and where Local and SME/VCSE Provision is assessed and considered suitable, the procurement shall be reserved to local suppliers;</u></p>	<ul style="list-style-type: none"> • Contracts Finder • Opportunity listing on the e-tendering system webpage • Trade Journal (if TAP decides)
<p>Above Works threshold (currently £4,733,252)</p>	<p>Either:</p> <ol style="list-style-type: none"> 1. Use of an existing Framework or DPS which is compliant with the Regulations; or 2. Procedure selected in accordance with the Regulations as approved through the Procurement Strategy. 	<p>For 1:</p> <p>Follow the rules of the Framework/DPS and use the e-tendering system for all mini-competitions</p> <p>For 2:</p> <ul style="list-style-type: none"> • Contracts Finder • Contract Notice published in Find a Tender Service • Opportunity listing on the e-tendering system webpage • Trade Journal (if TAP decides).

- 19.2. If the Contract involves works to housing premises where the Council could make recovery of costs from leaseholders pursuant to s20 of the [Landlord and Tenant Act 1985](#) the rights of the leaseholders must be taken into account when considering the competition for the works. Failure to consult as required by the [Service Charges \(Consultation Requirements\) \(England\) Regulations 2003](#) means that the Council's ability to recover costs from leaseholders is limited to £100/£250 depending upon the proposed arrangement for delivering the works. Take appropriate advice from the appropriate Solicitor.

Establishing a Tender Appraisal Panel

- 19.3. Once approval for Procurement Strategy is granted in accordance with [CSO 18](#), a Tender Appraisal Panel (TAP) shall be established to take responsibility for managing all aspects of the procurement process. This may be the same membership as the SRT or may be different.
- 19.4. The provisions of [paragraph 39](#) of [Appendix 8](#) apply to the TAP.

20. TENDER PROCESS

- 20.1. [Appendix 8](#) shall apply to the Tender process.
- 20.2. Unless the Head of Law agrees otherwise the TAP shall use the Council's standard documentation for the tender and contract documentation.
- 20.3. Unless the Head of Procurement agrees otherwise:

- 20.3.1. the time limits for submission of selection questionnaires (as applicable) and Tenders are as set out in [Appendix 7](#);
- 20.3.2. all Tenders and Responses to Mini-Competition must be received through the Council's e-tendering system; and
- 20.3.3. the contract terms shall comply with the provisions of [Appendix 3, section 2](#).

21. APPROVAL PROCESS FOR CONTRACT AWARD OF HIGH VALUE CONTRACTS

21.1. The TAP shall prepare an award report for all High Value Contracts and submit the report for decision as follows:

Capital Contracts		Contract Award Approval
Services Threshold (currently £189,330) up to £1.5m		Chief Executive/SLT Member in consultation with the relevant Cabinet Member
£1.5m and above		The relevant Cabinet Member
Revenue		Contract Award Approval
Services Threshold (currently £189,330 ¹⁰) up to £0.5m		Chief Executive/SLT Member in consultation with the relevant Cabinet Member
£0.5m and above		The relevant Cabinet Member

- 21.2. If the value of the Contract to be awarded is more than 10% higher than the initial estimated value of the Contract and over £10,000,000 approval must be sought from Cabinet.
- 21.3. The TAP shall prepare an award report in the standard form. [Report templates are available on the Intranet](#).
- 21.4. The award report must contain the comments of the Director of Finance, the Head of Procurement, the Director of Audit, Risk, Fraud and Insurance Manager and the Head of Law.
- 21.5. All contract awards over £100,000 must be submitted to the Contracts Assurance Board before being submitted for approval to the decision maker as set out in 21.1.
- 21.6. Once the award decision has been made the service should ensure that the supplier is set up on the Council's finance system. If the contract is awarded to a new supplier, the service should request a new supplier set-up which will be approved by Procurement on receipt of the final award report. All service areas should raise purchase orders and approve invoices to pay suppliers through self-service on the Council's finance system. Officers should not undertake this for anyone outside of their own team area. This way the approval goes to the responsible budget holder and the right teams can complete the good receipting when service or goods are received. No orders should be made without providing a valid purchase order, without this there is no approval to spend and the supplier will not be paid.
- 21.7. Where the award report concerns the award of contract in excess of £300,000 in value or the expenditure is otherwise significant, then it is a Key Decision (see Article 12 of the [Constitution](#)) and must be submitted to Committee Services for publication on the Council's website. The award decision cannot be implemented without the expiry of the call-in period for that decision as shown on the

¹⁰ Enforced from 1 January 2020.

website AND (if a Regulated Contract) expiry of the Standstill Period (see [Appendix 8](#)).

- 21.8. Provided that the report has been approved in accordance with this [CSO 21](#) and any Standstill Period has expired, the TAP shall ensure that the Contract is entered into and arrange for the Head of Law to seal the Contract on behalf of the Council.
- 21.9. For all High Value Contracts, the Contract documentation must be concluded (including the formal execution of contracts by all parties) before its commencement. Only in exceptional circumstances, and then only with the written consent of the Head of Law, may a contract commence based on an exchange of correspondence or letter of intent.
- 21.10. An electronic copy of the completed (dated) Contract must be uploaded to the Contracts Register along with a copy of the award report.

Section E - Waiver

22. GROUNDS FOR WAIVER

22.1. In the event that any requirement of these CSOs cannot be complied with, and this is for one of the reasons set out in [22.3](#) below, the SLT Member may apply for a waiver of the relevant CSO.

22.2. It should be noted a waiver cannot be sought in relation to any legal requirements contained in the Regulations or other legislation.

22.3. A waiver can only be granted where one of the following grounds applies:

22.3.1. Where the works, services, or supplies can only be supplied by a particular economic operator for any of the following reasons:

22.3.1.1. the procurement relates to a unique work or intellectual property rights of the provider; or

22.3.1.2. competition is absent for technical reasons; or

22.3.1.3. where there is no reasonable alternative or substitute in the market;

provided that the reasons for the absence of competition is not due to an artificial narrowing of the Council’s requirements;

22.3.2. the contract is for works, goods or services that are required in circumstances of extreme urgency that could not reasonably have been foreseen; or

22.3.3. the circumstances of the proposed contract are covered by legislative exemptions; or

22.3.4. the procurement will be run as Collaborative Procurement or other partnership arrangement with another public body, and the procurement procedures of that other public body will apply (see further [CSO 32](#));

22.3.5. The Council has no influence over supplier selection because:

22.3.5.1. The procurement activity is grant funded and the supplier is named as a condition of that funding; or

22.3.5.2. Where the Council is matching grant funding and the original grant has been given conditional on the use of a named supplier;

22.3.6. there are other circumstances which are genuinely exceptional.

23. AUTHORISING A WAIVER

23.1. The SLT Member shall prepare a waiver report in the standard form as set out below and submit the report to the appropriate decision maker as follows:

Contract Value	Form of request	Comments required from	Decision Maker
Waiver in relation to Low and Medium Value Contract	Waiver Request Form	No comments required	Head of Procurement on recommendation of the Contract Assurance Board
Waiver in relation to High Value Contracts	Waiver Request Form	Head of Law	S151 Officer or the Director of Resources on recommendation of the Contract Assurance Board

- 23.2. The [Waiver Request Form](#) shall **ONLY** seek a waiver of the relevant CSO and shall not include any other recommendations. A subsequent procurement strategy approval or award report will follow the provisions of CSOs as applicable.
- 23.3. Retrospective waivers cannot be granted but will be noted. This noting, along with the Award Report will enable you to set up the supplier on the financial system.
- 23.4. The Head of Procurement shall submit all waiver requests to the Contracts Assurance Board to make a recommendation to the decision maker.
- 23.5. A record of the decision and reasons will be kept by the Procurement team. A report on all waivers shall be submitted to SLT quarterly and reviewed annually by the Audit and Pensions Committee.

Section F - Post Award/In-contract Decisions

24. MODIFICATIONS (VARIATIONS) AND NOVATIONS

24.1. Approval must be sought for all variations, modifications and any novations to Contracts in accordance with this [CSO 24](#). **Note: extensions are dealt with in [CSO 25](#).**

24.2. The only exception to this is:

- (a) if the change is in relation to a construction contract where provisional sums have been allowed for in the contract sum and the change relates to instructing the expenditure required against those provisional sums, in which case the provisions of the contract should be followed; or
- (b) the contract is a term Contract allowing repeated orders for works, goods or services over its term, in which case the placing of an order is not modification of the Contract where it is within the scope of that Contract and its order process and any [EU](#)-advertised estimated contract value for the whole Contract is not exceeded (though new budgetary approval may still be required).

24.3. Modifications (except extensions) of Low and Medium Value Contracts, PLUS High Value works contract below the Works Threshold

24.3.1. For all Low and Medium Value Contracts, and High Value Works Contracts below the Works Threshold (currently £4,733,252) where the proposed change in value is not modifying the current value by +/-10% or more, the SLT Member must be able to demonstrate the type of modification was provided for in the original contract¹¹ and:

24.3.1.1. that the cumulative value of the modification plus any other previous modifications do not increase the total contract value so that it exceeds the Relevant Thresholds; or

24.3.1.2. for construction or highways works only, that the works are covered by a contingency sum which was authorised as part of the award of the contract, provided that the contract was awarded in accordance with these Contract Standing Orders.

24.3.2. For all [Low and Medium Value Contracts](#) or High Value Works Contracts below the Works Threshold (currently £4,733,252), where the proposed change in value is modifying the current value by +/-10% or more, approval shall be sought from the relevant SLT Member in consultation with the relevant Cabinet Member in accordance with [CSO 24.3.4 below](#)

24.3.3. The SLT Member shall prepare a record demonstrating that:

24.3.3.1. [CSO 24.3.1](#) has been complied with; and

24.3.3.2. where [CSO 24.3.1.2](#) is relied upon, confirmation of the previous approval for the Contract; and

24.3.3.3. details of the relevant budget for the modification.

24.3.4. The SLT Member (in consultation with the Cabinet Member where [CSO 24.3.2](#) applies) may then approve the modification subject to compliance with Financial Regulations.

24.4. Modifications of Above Threshold Contracts (Regulated Contracts)

24.4.1. Modification of an Above Threshold Contract, or one that has become Above Threshold when previous modifications and extensions are taken into account, are only permitted

¹¹ Regulation 72 Public Contract Regulations may be used as a guide in determining whether or not to modify these contracts. See Appendix 6

in accordance with [regulation 72](#) of the Regulations. See Appendix 6 for details of the exemptions granted by [regulation 72](#). A new procurement procedure in accordance with these CSOs is required for modifications which are not permitted under [regulation 72](#).

- 24.4.2. Modifications to all contracts that are Above Threshold must first be referred to the Head of Law and the Head of Procurement to ascertain whether the modification is permissible under the Regulations.
- 24.4.3. Where the assessment under [CSO 24.4.1](#) determines that the proposed modification is permitted under regulation 72, the SLT Member must prepare a [report](#) (see [report template on the Intranet](#)) explaining:
- 24.4.3.1. how the modification is permitted under [regulation 72](#) of the PCR; and
- 24.4.3.2. details of the relevant budget for the modification.
- 24.4.4. The SLT Member submits the report for decision by the relevant decision maker as follows:

Type of Above Threshold (Regulated) Contract	Total Contract Value (aggregated with the previous modifications and extensions)	Decision Maker
Capital	Services Threshold (currently £189,330 ¹²) to £1.5m	Chief Executive/Relevant SLT Member
	£1.5m and above where the value of the proposed modifications does not represent is less than +/-10% or more of the current contract value	Chief Executive/Relevant SLT Member in consultation with the relevant Cabinet Member
	£1.5m and above where the value of the proposed modification represents is less than +/-10% or more of the current contract value	Relevant Cabinet Member
Revenue	Services Threshold (currently £189,330) up to £0.5m	Chief Executive/Relevant SLT Member
	Above £0.5m where the value of the proposed modifications is is less than +/-10% or more of the current contract value	Chief Executive/Relevant SLT Member in consultation with the relevant Cabinet Member

¹² Enforced from 1 January 2020.

Type of Above Threshold (Regulated) Contract	Total Contract Value (aggregated with the previous modifications and extensions)	Decision Maker
	Above £0.5m where the value of the proposed modification represents +/-10% or more of the current contract value	The relevant Cabinet Member

24.5. Novations

- 24.5.1. A novation is where a contract is to be transferred from one provider to another. It is more common where there is business reorganisation or amalgamation within a wider group of companies. It is often the provider who approaches the Council asking for approval to a novation, and at this point legal advice should be taken immediately. Officers should not authorise invoices received from a new provider in relation to the same service until the novation has been formally approved and implemented (normally a deed of novation is required).
- 24.5.2. A novation of an Above Threshold Contract, or one that has become Above Threshold when previous modifications and extensions are taken into account, is permissible if it falls within regulation [72\(1\)\(d\)](#) of the PCR¹³.
- 24.5.3. Where a new provider is proposed to replace the one to which the Contract was initially awarded, the SLT Member should follow [CSO 24.3](#) or [24.4](#) as applicable to the value of the Contract as if the novation is a modification of the Contract.
- 24.5.4. All novations will require legal advice, regardless of value, the cost of which must be recovered from the party requesting the novation. An undertaking to pay the legal fees is required at the beginning of the discussions.

25. CONTRACT EXTENSIONS

BELOW THRESHOLD

- 25.1. All Below Threshold contract extensions are treated in the same way as modifications under [CSO 24.3](#). They are approved by the SLT Member, or by the SLT Member in consultation with the Cabinet Member if the value of the proposed extension is 10% or more of the current contract value.

Above threshold

- 25.2. An extension to an Above Threshold Contract, or one that has become Above Threshold when previous modifications and extensions are taken into account, is only permissible under this [CSO 25](#) if:
- 25.2.1. the Contract includes a clear and unambiguous extension provision to extend the contract term on the same terms and conditions and the price for the extension is either included in the Contract or the price is calculable with reference to review provisions within the Contract ([reg 72\(1\)\(a\)](#) of the Regulations), OR
- 25.2.2. one of the other [regulation 72](#) exemptions applies (see further [Appendix 6](#)).

In any event, legal advice must be sought as set out for modifications of Above Threshold Contracts in [CSO 24.4](#). In all cases evidence of contractor performance, Value for Money and benchmarking

¹³ See Appendix 6

must accompany a request for an extension.

- 25.3. Where legal advice confirms an extension is permissible, then approval must be sought by the SLT Member submitting a [report](#) (see [report templates on the Intranet](#)) and the approval decision shall be taken by:

Requirement	Total Contract Value (aggregated with previous modifications and extensions)	Decision Maker
All contracts (irrespective of value) where the award of contract decision referred to provision for a contract extension AND the contract terms made explicit provision for an extension (ie reg 72(1)(a) of the Regulations applies)		SLT Member
Capital	Up to Services Threshold ¹⁴ (currently £189,330)	Chief Executive/Relevant SLT Member
	Services Threshold (currently £189,330) to £1.5m	Chief Executive/Relevant SLT Member in consultation with the relevant Cabinet Member
	£1.5m and above	The relevant Cabinet Member
Revenue	Up to Services Threshold (currently £189,330)	Chief Executive/Relevant SLT Member
	Services Threshold (currently £189,330) up to £0.5m	Chief Executive/Relevant SLT Member in consultation with the relevant Cabinet Member
	Above £0.5m	The relevant Cabinet Member

26. CONTRACT TERMINATION PROVISIONS

- 26.1. Where the SLT Member considers that there is a need to prematurely terminate a Contract (or part of a Contract), the advice of the Head of Law must be obtained.
- 26.2. A report is prepared incorporating the legal advice, and the decision to terminate is taken by:

Contract Value (including previous modifications and extensions)	Authorised Person
Up to £1,500,000	SLT member in consultation with relevant Cabinet Member, the s151 Officer and Head of Law
£1,500,000 up to £5,000,000	The Cabinet Member(s)
Over £5,000,000	Cabinet

¹⁴ Enforced from 1 January 2020.

27. CONTRACT MANAGEMENT

27.1. For all High Value Contracts or contracts which are considered high risk, a Contract Manager must be identified during the tender period and their details **must** be added to the corporate Contract Register under the entry for the relevant contract. Where the contract is considered high risk the need for a specific Contract Manager will be considered at the Contracts Assurance Board.

27.2. The Contract Manager must:

27.2.1. undertake appropriate risk assessments that have considered service continuity, health and safety, fraud and Information management risks;

27.2.2. maintain a risk register during the contract period;

27.2.3. ensure appropriate contingency measures are in place for identified risks;

27.2.4. escalate high risks to their Head of Service or Director and the relevant departmental management team;

27.2.5. formally review monthly and regularly monitor and report to the Corporate Procurement Team on:

27.2.5.1. a Contractor's performance;

27.2.5.2. the regularity of meetings held with the Contractor;

27.2.5.3. risk management and any issues arisen (for example, reported fraud, information loss or breach of security, service continuity (credit worthiness), significant health and safety incidents) that have identified and how these are being addressed;

27.2.5.4. compliance with specification and contract costs and identifying as early as possible any potential over-spends;

27.2.5.5. any Best Value requirements;

27.2.5.6. user satisfaction; and

27.2.5.7. the data quality and supplier information ensuring that it is fit for purpose.

27.2.6. Budget holders must check that services, goods and works have been delivered to the required standard before goods are 'received' and invoices approved. Officers checking and approving invoices must ensure invoices are in line with agreed contracts and should challenge suppliers and contractors where necessary before any payments are made and ensure that any penalties or rebates are claimed.

27.3. Post-Contract Monitoring, Evaluation and Review

All Above Threshold Contracts, or Contracts which are high risk, are subject to a post award:

27.3.1. audit or review at least once during the contract term; and

27.3.2. a review evaluating the extent to which the purchasing need and the contract objectives are met by the contract. This should be undertaken normally when the contract is completed. Where the contract is to be re-let, a provisional report should also be available early enough to inform the approach to re-letting of the subsequent contract.

Section G - Frameworks and Dynamic Purchasing Systems (DPS)

28. FRAMEWORKS AND DPS

Calling Off from Frameworks and DPS:

- 28.1. The availability of a Framework or DPS should be considered as early as possible in the procurement planning process, once the business need has been established.
- 28.2. A Call-Off Contract from a Framework Agreement or DPS is still a Contract governed by these CSOs and should follow the process set out in these CSOs for identifying the business need, approval of [Procurement Strategy](#) and award of contracts, unless a waiver has been granted. However, the competition process must be as set out in the relevant Framework or DPS.
- 28.3. Legal advice must be obtained in relation to any Above Threshold Contract which is proposed to be called off from a third-party Framework or DPS, to ensure that the Framework / DPS was set up in a way that is compliant with the Regulations and that its proposed use is within the scope of the Framework or DPS.

Setting up a Council Framework Agreement or DPS

- 28.4. The SLT Member may decide to establish a Framework or DPS that the Council will call off from (and from which other public bodies may be entitled to call off - i.e. the Council would be the lead authority for the Framework). Where this is proposed the SLT Member shall follow the CSOs in the same way as usual, while recognising that the Council Framework or DPS may be with a single supplier or multi-supplier.
- 28.5. In order to assess the value of the Framework or DPS for the purpose of ascertaining which procedure to follow under these CSOs, the value of the Framework or DPS shall take into account the total estimated value of all anticipated Call-Off Contracts, including by any third parties eligible to use the Council Framework Agreement/DPS.
- 28.6. A Call-Off Contract from a Council Framework Agreement or DPS is also governed by the CSOs. The SLT Member should consider what call offs are likely and as applicable seek authorisation for the awarding first Call-Off Contract, at the same time that the award decision is taken to appoint providers to the Framework Agreement.
- 28.7. If other contracting authorities may purchase through the Framework Agreement, include in the award report to appoint to the Framework /DPS an additional approval for the Council to enter into any ancillary documentation such as Access Agreements if applicable.

Section H - Special procedures

29. JOINT VENTURES

- 29.1. When appointing a joint venture partner, the advice of the Head of Law must be sought.
- 29.2. These CSOs must be followed for the selection of the joint venture partner and any contracts which are subsequently awarded to the joint venture. Financial Regulations must also be complied with. There is also a requirement in [part 3 of the Constitution](#) for participation in a company to be approved by Full Council.

30. UTILITY PROCUREMENT

- 30.1. Due to the volatility of the energy market, prices of water, diesel, electricity, gas, oil and petroleum fluctuate on a daily basis and the sums quoted by Central Purchasing Bodies in this sector require immediate acceptance. In order to achieve the best value for the Council all decisions relating to energy procurement including the Procurement Strategy, award and/or the variation of contracts may be approved jointly by the Director of Finance and the Assistant Director for Operations. All decisions relating to the award of or variation of energy related contracts will be reported to the Cabinet Member for Finance and Commercial Services for information purposes only.

31. APPOINTMENT OF EXTERNAL SOLICITORS, COUNSEL, EXPERTS WITHIN LEGAL PROCEEDINGS AND ARBITRATORS /ADJUDICATORS

- 31.1. The Head of Law commissions all external solicitors, Counsel, experts within Legal Proceedings (actual or contemplated) and arbitrators /adjudicators.
- 31.2. The engagement of barristers, experts and adjudicators/arbitrators in construction disputes shall be subject to completion of a formal letter, contract of appointment or brief. The barrister, expert or arbitrator /adjudicator or chambers must either be named in the relevant Contract or be on an approved list maintained by the Head of Law for this purpose and the appointment shall be approved by the Head of Law. Where there is no approved list, then the Head of Law will determine the method of selection, likely to be appointed from a list maintained by a third party.
- 31.3. The engagement of external solicitors shall be made via the London Boroughs Legal Alliance Solicitors Framework, following a mini-competition exercise. In appropriate cases the Head of Law may dispense with the requirement. Appointment shall be made by formal letter or appointment contract, once approved by the Head of Law. In exceptional cases the Head of Law may authorise the use of external solicitors not on the London Boroughs Legal Alliance Solicitors Framework.

32. PARTNERSHIP WORKING AND COLLABORATIVE PROCUREMENT

- 32.1. Partnership working with other local authorities or public bodies can achieve better results in a procurement process than the Council working alone. This goes wider than using a Framework or DPS set up by another public body, but also covers the forming a joint company/ shared service (see [CSO 32.4](#) below) or conducting a Collaborative Procurement.
- 32.2. There are various models for running a Collaborative Procurement, so legal and procurement advice should be sought at the earliest opportunity. Examples include:
 - 32.2.1. a common SQ stage and specification but then the procurement diverging,
 - 32.2.2. jointly establishing a Framework or DPS for the participants to use,
 - 32.2.3. another local authority conducting a procurement on behalf of a wider group and appointing a provider, so that the Council will only have a contractual relationship with the lead authority and not the provider,

32.2.4. a full partnership where all the participating local authorities are jointly contracting with the chosen provider.

32.3. In nearly every case, the Collaborative Procurement will need to proceed with one of the participants as a lead contracting authority. In recognition of this, use of another public authority's contract procedures is a specific ground for waiving the Council's own CSOs (see [Section E](#)).

32.4. The Regulations at [regulation 12](#) recognise two other models under which public authorities can work together without needing to comply with the Regulations. One is the formation of a joint "in-house" company and the other a co-operation model in the public interest. Legal advice must be taken at the earliest opportunity if either of these are being considered. Where one of these exemptions applies, a waiver of the competition requirements of these CSOs may be available under the "legislative exemption" ground (see [Section E](#)).

33. SOCIAL CARE, SPOT/BLOCK PURCHASING OF DOMICILIARY CARE AND RESIDENTIAL AND NURSING CARE

33.1. The Council has certain statutory duties to provide, or arrange to provide, practical help or care services to individuals within the community or in a residential setting. Such arrangements may be made through existing Frameworks that the Council can call-off from (sometimes called umbrella agreements), through a block Contract (where the Council has contracted to purchase a block of hours of care/bed spaces without naming the individuals) or spot purchased for a particular individual or group of individuals.

33.2. Block Contracts and any Hammersmith & Fulham Frameworks need to be procured in accordance with these CSOs. However, provided that the relevant value is below the Relevant Threshold, neither spot purchasing nor the placement of an individual into a setting in accordance with a block contract or Framework are covered by these CSOs and a waiver is not required. However, the placement must be recorded in writing, incorporating a care plan for the individual.

33.3. The Council will maintain information on home care providers and providers of supported living, residential and nursing care placements that can be used for the spot purchase of care services. Such providers, whether or not covered by a block contract or Framework, must have met the minimum national standards laid down by the Care Quality Commission and any additional standards put in place by the Council.

34. COUNCIL SUPPLYING GOODS OR SERVICES TO OTHER BODIES

34.1. These Contract Standing Orders do not apply to the putting in place of arrangements, whereby the Council provides goods or services to other public bodies except to the limited extent set out in this [CSO 34](#). Where this is proposed, legal advice must be taken at the earliest opportunity, particularly around the contract terms proposed by the purchaser and the risks (such as unlimited liability) that the Council is expected to take on under these terms. Financial Regulations must also be complied with.

34.2. Prepayment should be sought wherever possible, otherwise invoices must be raised promptly following provision of the good or service and in accordance with established payment terms. Early and prompt action must be taken to collect debts and recover any arrears in accordance with Council's Income Management policy.

34.3. Approval for the Council entering into the arrangement shall be taken by the SLT Member.

APPENDIX 1: GLOSSARY

Defined term	Definition/description
Above Threshold Contract	A Contract or Framework with a value above the Relevant Threshold set under the Regulations.
Access Agreement	An agreement providing access to one party to call off a Framework or DPS owned or operated by another party.
Approved List	A list of approved providers described on the e-tendering system who have expressed an interest in carrying out services, supply of goods or works. It is only permissible to use it for Low and Medium Value Contracts. An Approved List is usually set up for a specific period of time and purpose following a public advertisement. Admission to the Approved List shall be on the basis that the Council's minimum requirements in terms of finance, references, Health & Safety, diversity and environmental considerations are met. The Approved List shall not contain details of schedules of rates and admission has to be free (in accordance with section 21 of the Local Government Act 1988). Approved Lists may then be used for the purpose of inviting a Quotation or Quotations.
Head of Law	The Head of Law of the Council having overall responsibility for the provision of legal advice in relation to all the Council's functions or such others authorised by him/her.
Award Criteria	The evaluation criteria applied during a Tender process in order to determine the most economically advantageous tenderer, using a combination of price and quality.
Below Threshold	A Contract or Framework or DPS with a value below the Relevant Threshold set under the Regulations (see Appendix 2).
Best Value Duty	The duty on local authorities to secure continuous improvement in the way in which functions are exercised, having regard to a combination of economy, efficiency and effectiveness, as set out in the Local Government Act 1999.
Business Case	A document used to obtain management commitment and approval for investment in business change, which alters the way that suppliers are selected and goods and services are purchased, or how the Council delivers a service. It provides a framework for planning and management of this change and ongoing identification of risks. The viability of the resulting project will be judged on the contents of the Business Case.
Cabinet	The executive committee of the Council, made up of all the Cabinet Members.
Cabinet Member	A member of the Cabinet as appointed by the Leader.
Call-Off Contract	A Contract which is called off from a Framework or DPS.
Capital Contract	A Contract involving Capital Expenditure
Capital Expenditure	Expenditure incurred in acquiring, constructing or enhancing property, plant or equipment, but excludes day to day servicing, repairs and maintenance.

Defined term	Definition/description
Central Purchasing Body	As defined in the Regulations, being another contracting authority which: <ul style="list-style-type: none"> • acquires goods or services intended for one or more contracting authorities; • awards public contracts intended for one or more contracting authorities; or • concludes Frameworks for work, goods or services intended for one or more contracting authorities.
Code of Conduct for Members	The code regulating conduct of members of the Council forming part of the Council's constitutional document.
Code of Conduct for Officers	The code regulating conduct of officers forming part of the Council's constitutional document.
Collaborative Procurement	A procurement exercise run jointly with other public bodies and in which the Council participates.
Contract	A binding agreement made between two or more parties for the supply of goods or services or the delivery of works, which is intended to be enforceable at law, and to which these CSOs apply pursuant to CSO 2.
Contract Manager	The Council officer who manages a Contract awarded by the Council.
Contract Notice	An "advertisement" published in the Official Journal of the European Union Find a Tender Service (OJEU/FTS) in accordance with these CSOs and the Regulations seeking Tenders or expressions of interest from candidates to tender for works, supplies or services. A Contract Notice must be published in the Find a Tender Service (FTS Official Journal of the European Union (OJEU)) where the EU thresholds are exceeded.
Contract Officer	An officer of the Council designated by the SLT Member to deal with procurement of a specific contract.
Contract Register	A register of the contracts in place across the Council in excess of £5,000 to include an electronic copy of the Contract if valued at £10,000 or more, forming part of the e-tendering system.
Contract Standing Orders (CSO or CSOs)	This set of rules forming part of the Council's constitutional document.
Deed	The legal term for a particular form of Contract with particular requirements as to its execution (i.e. signature). The execution of a Contract as a deed extends the limitation period from 6 years to 12 years. All contracts with a value of £100,000 or more must be executed as deeds and sealed by the Council.
Dynamic Purchasing System or DPS	Defined in the Regulations as a type of Approved List. Prices have not been provided but those on the DPS have fulfilled minimum standards. Unlike a standard Approved List it can be used for High Value Call-Off Contracts. A dynamic purchasing system must remain open to new applicants to join at any time and "mini-competition" exercises have to be carried out to place specific contracts.
Estimated Value	The value of the Contract as estimated by the SLT Member in line with Appendix 3.

Defined term	Definition/description
e-tendering system	The electronic procurement system approved for use by the Section 151 Officer for the management of all procurement activity across the Council.
Financial Regulations	The financial regulations approved by the Council and issued by the Section 151 Officer forming part of the Council's constitutional document.
Framework	A contractual arrangement (let in accordance with regulation 33 of the Regulations unless the value of all purchases through the Framework is estimated to be Below Threshold) that can be up to 4 years in duration and provides a mechanism for the Council to place individual Call Off Contracts for goods, works or services.
Head of Procurement	The Officer of the Council having overall responsibility for procurement.
High Value Contract	A Contract where the estimated value (or subsequent to a procurement exercise, the actual value) is above the Services Threshold (currently £189,330).
Innovation Partnership	To be used in specific situations set out in regulation 31 of the Regulations.
Invitation to Tender	Invitation to tender documents in the form required by these CSOs or published on the Council's intranet.
Low Value Contract	A Contract where the estimated value (or subsequent to a procurement exercise, the actual value) is less than £50,000.
Medium Value Contract	A Contract where the estimated value (or subsequent to a procurement exercise, the actual value) is from £50,000 up to (but not including) the Services Threshold (currently £189,330).
Minimum Standards Questionnaire	A questionnaire used with a single-stage procurement pursuant to section 111 of the Regulations, such questionnaire is returned with the main Tender and is used to assess suitability, capability, legal status and financial standing.
Modification	An amendment to a Contract whether requiring new, additional or amended services, supplies or works.
Nominated Supplier and Nominated Subcontractor	Those persons or organisations specified by the Council in a Contract for the discharge of any part of that Contract.
Non-commercial Considerations	Matters designated as such under section 17 of the Local Government Act 1988, i.e.: <ul style="list-style-type: none"> • Whether the terms on which contractors' contract with their sub-contractors constitute, in the case of contracts with individuals, contracts for the provision by them as self-employed persons of their services only. • Any involvement of the business activities or interests of contractors with irrelevant fields of government policy. • The conduct of contractors or workers in industrial disputes between them or any involvement of the business activities of contractors in industrial

Defined term	Definition/description
	<p>disputes between other persons.</p> <ul style="list-style-type: none"> • The country or territory of origin of supplies to, or the location in any country or territory of the business activities or interests of, contractors. • Any political, industrial or sectarian affiliations or interests of contractors or their directors, partners or employees. • Financial support or lack of financial support by contractors for any institution to or from which the authority gives or withholds support. • Use or non-use by contractors of technical or professional services provided by the authority under the Building Act 1984. <p>Note: the duty not to have regard to non-commercial considerations is modified to the extent that the Council considers this necessary or expedient in order to comply with its duties under the Public Services (Social Value) Act and the PSED.</p>
Parent Company Guarantee	A guarantee which binds the parent of a subsidiary company as follows: If the subsidiary company fails to do what it has promised under a contract with the Council, under the terms of the guarantee, can require the parent company to do so instead or pay money in lieu.
PCR or Regulations	The Public Contracts Regulations 2015 SI 2015/112 effective date 26 February 2015 (which implements the EU Directive 2014/24/EU into UK law) as amended or replaced including amendments introduced by the Public Procurement (Amendment etc.) (EU Exit) Regulations 2020 .
Public Sector Equality Duty (PSED) and Protected Characteristics	<p>The Public Sector Equality Duty or PSED covers the following characteristics (known as Protected Characteristics):</p> <ul style="list-style-type: none"> • Age • Disability • Gender reassignment • Pregnancy and maternity • Race • Religion or belief • Sex (gender) • Sexual orientation • Marriage and civil partnership (not always relevant to the duty) <p>The Council is subject to the Public Sector Equality Duty and must, in the exercise of its functions, have due regard to the need to:</p> <ul style="list-style-type: none"> • eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act; • advance equality of opportunity between people who share a protected characteristic and those who do not; and • foster good relations between people who share a protected characteristic and those who do not. <p>The Equality Act 2010 states that meeting different needs involves taking steps to take</p>

Defined term	Definition/description
	account of disabled people's disabilities. It describes fostering good relations as tackling prejudice and promoting understanding between people from different groups. It states that compliance with the duty may involve treating some people more favourably than others.
Quotation	A quotation of a price for the provision of services, works or supplies without assessment of any quality aspects.
Quote	An invitation-only procurement route whereby the Council seeks Quotations.
Regulated Procurement	A procurement exercise for a Contract, Framework or DPS that has an estimated value that is Above Threshold and that are subject to the full extent of PCR 2015.
Regulation 84 Report	The report required under regulation 84 of the PCR.
Regulations or PCR	The Public Contracts Regulations 2015 SI 2015/112 effective date 26 February 2015 (which implements the EU Directive 2014/24/EU into UK law) as amended or replaced.
Relevant Threshold	The relevant threshold above which the Contract is to be procured as required under the PCR, as set out in Appendix 2 ,
Service Review Team	The team established to undertake the service review of a High Value Contract (see CSO 17.1).
Services Threshold (currently £189,330)	The threshold for proposed contracts for services (except Social and Other Specific Services) and supplies set under the PCR, as set out in 0.
SLT Member	Officers who are a member of the Strategic Leadership Team.
Social and Other Specific Services	Are described in Appendix 2 .
Social and other Specific Services Threshold (currently £663,540)	The threshold for Social and Other Specific Services set under the PCR as set out in Appendix 2 .
Standstill Period	For Above Threshold Contracts, the period of ten days set out in the PCR after notification of an award decision to Tenderers, during which the Contract must not be formally awarded.
Tender	A tenderer's proposal submitted in response to an invitation from the Council to be assessed on the basis of a combination of price and quality.
Tender Appraisal Panel (TAP)	A panel constituted to manage all Tender processes (as described in paragraph 39 of Appendix 8).
Unregulated	A procurement exercise for a Below Threshold Contract (or, unusually, an Above Threshold Contract for which an exemption is available) and so is not subject to the

Defined term	Definition/description
Procurement	full extent of PCR.
Value for Money	Value for money is not the lowest possible price; it requires assessment of goods or services that fully meet the Council's needs, combined with the level of quality required, delivery at the time you need it, and at an appropriate price.
Works	Are described in Schedule 2 of the Regulations.
Works Threshold (currently £4,733,252)	The threshold for Works set under the PCR, as set out in Appendix 2

Appendix 2: Relevant Thresholds

The Public Contracts Regulations 2015 and the Concession Contracts Regulations 2016 apply to Contracts when the estimated value equals or exceeds the Relevant Threshold.

The Relevant Thresholds for the purposes of the Public Contracts Regulations 2015 as of 1 January 2020 are as follows:

Contract Type	Threshold
Contracts for the supply of goods (including installation) Contracts for the provision of services	£189,330 ("Services Threshold")
Contracts for the supply of Works	£4,733,252 ("Works Threshold")
Contracts for the provision of Social and Other Specific Services the "Social and Specific Services" Threshold including: Health, social and related services Administrative social, educational, healthcare and cultural services Compulsory social security services Benefit Services Other community, social and personal services including services furnished by trade unions, political organisations, youth associations and other membership organisation services Religious services Hotel and restaurant services Legal services, to the extent not excluded by regulation 10(1)(d) Other administrative services and government services Provision of services to the community Investigation and security services International services Postal services International services; and Miscellaneous services (see schedule 3 of the PCR for more details)	£663,540

The Relevant Threshold for the purposes of the Concession Contracts Regulations 2016 as of 1 January 2020 is £4,733,252.

Appendix 3: Contract Value and Contracts Requirements

1. TOTAL VALUE OF A CONTRACT

- 1.1. The total value of the Contract is the whole of the value or estimated value (in money or equivalent value) excluding VAT. It should include all money to be paid whether in instalments or whether it is paid or received by the Council (though see below for concession contracts). The total value of the contract is calculated from the start date of the contract to its conclusion, including any extensions provisions.
- 1.2. The total value shall be calculated as follows:
 - 1.2.1. Where the contract is for a fixed period, by taking the total price to be paid or which might be paid during the whole of the period.
 - 1.2.2. Where the purchase involves recurrent transactions for the same type of item, by aggregating the value of those transactions over the term of the Contract this may be by assessing how many orders are likely to be placed during a 12-month period and multiplying it by the number of years of the term.
 - 1.2.3. For pilots which may be rolled out in the event of a successful pilot, the value shall be the total value of the pilot and the roll out.
 - 1.2.4. For Nominated Suppliers and Sub-contractors, the total value shall be the value of that part of the main contract to be fulfilled by the Nominated Supplier or Sub-contractor.
 - 1.2.5. Where an in-house service provider is tendering, by taking into account redundancy and similar/associated costs if they are not successful.
- 1.3. For concessions contracts, the estimated contract value must be based on the estimated turnover to be generated by the Contractor over the term of the Contract excluding VAT. This means that the value is the total estimated turnover (income) generated by the Contractor throughout the lifetime of the proposed concession contract including any potential extensions (net of value added tax). It is incorrect to use only the value of any payment made by the Council to the concessionaire to estimate the value of a concession contract.

2. CONTRACT REQUIREMENTS

- 2.1. All Contracts shall be in writing and in a format approved by the Head of Law. They must not include non-commercial Considerations. Irrespective of value, they must clearly specify:
 - 2.1.1. the works, goods, materials or services to be carried out, furnished or provided (description and quality),
 - 2.1.2. the price or rates to be paid, together with a statement of any discounts or other deductions (amount and timing) which apply,
 - 2.1.3. the time, or times, within which the contract is to be performed, and
 - 2.1.4. all other contractual terms, which will be based upon:
 - 2.1.4.1. the Council's standard terms & conditions; or
 - 2.1.4.2. standard terms and conditions issued by a relevant professional body (e.g. JCT or NEC in relation to construction related works); or
 - 2.1.4.3. bespoke terms & conditions drafted by the Head of Law.
- 2.2. In addition, every Contract of purchase over £25,000 must also as a minimum state clearly:
 - 2.2.1. that the contractor may not assign or sub-contract without prior written consent of a SLT

Member (and where it is a “sub-contract”, written consent of a contract administrator)

- 2.2.2. any insurance requirements
 - 2.2.3. health and safety requirements
 - 2.2.4. ombudsman requirements
 - 2.2.5. Freedom of Information Act obligations
 - 2.2.6. Civil Contingencies Act 2004 requirements
 - 2.2.7. business continuity if relevant;
 - 2.2.8. data protection requirements, if relevant
 - 2.2.9. that charter standards are to be met, if relevant
 - 2.2.10. equalities and other diversity related requirements
 - 2.2.11. (where agents are used to let contracts) that agents must comply with the Council’s CSOs relating to contracts
 - 2.2.12. Provisions which comply with CSO 7.3
 - 2.2.13. a right of access to relevant documentation and records of the contractor for monitoring and audit purposes, if relevant.
- 2.3. Where it is proposed to use a supplier’s own terms, the advice, and for high value contracts the agreement, of the Head of Law must be sought in relation to any terms and conditions which differ from the Council’s standard terms.
- 2.4. Payment terms
- 2.4.1. In accordance with regulation 113 of the PCR 2015, the Council must pay undisputed invoices to contractors within 30 days. The Council must also require in its contracts that all contractors pass on to their subcontractors no less favourable payment terms than they receive from the Council.
 - 2.4.2. The Council is Living Wage Foundation accredited. The accreditation requires that all contractors/subcontractors working on Council contracts are paid in line with or above the [London Living Wage Foundation rates](#).
 - 2.4.3. Tenderers will be required to demonstrate how they will allow the Council to monitor the timescales within which they pay their subcontractors.

Appendix 4: Summary of Approvals

The following is a summary of the approval processes for pre-procurement strategy and contract awards

Type of contract	Value	Procurement Strategy	Award Approval
All Low Value and Medium Value contract (ie below Services Threshold)	Up to Services Threshold (currently £189,330)	Not required	Chief Executive/SLT Member
Revenue Contracts	From Services Threshold (currently £189,330) up to £0.5m	Chief Executive/SLT member in consultation with Cabinet Member	Chief Executive/SLT member in consultation with Cabinet Member
Revenue Contracts	£0.5m to £5m	Cabinet Member	Cabinet Member
Revenue Contracts	Over £5m	Cabinet	Cabinet Member
Capital Contracts	From Services Threshold (currently £189,330) to £1.5m	Chief Executive/SLT member in consultation with Cabinet Member	Chief Executive/SLT member in consultation with Cabinet Member
Capital Contracts	£1.5m - £5m	Cabinet Member	Cabinet Member
Capital Contracts	Over £5m	Cabinet	Cabinet Member

Note: an approval of an award of contract shall also by implication include approval for the Council to enter into the following associated documents:

1. Access Agreements where (a) the Council is the Framework owner and uses Access Agreements to enable other public bodies to join, or (b) which the Council needs to enter into in order to use a third party Framework
2. Performance bonds and parent company guarantees
3. Collateral warranties with sub-contractors of the appointed supplier

Table 2: Approval levels for waivers, modifications, extensions, and terminations

The following is a summary of the approval processes for Waivers, Contract Modifications, Extensions and Terminations

Type of contract	Value	Modifications	Extensions	Terminations	Waiver
All Low Value and Medium Value contracts	Up to Services Threshold (currently £189,330)	Chief Executive/SLT Member	Chief Executive/SLT Member	Chief Executive/SLT Member	Head of Procurement on recommendation of the Contracts Assurance Board
High Value Contracts:					
Revenue Contracts	Services Threshold (currently £189,330) to £0.5m	Chief Executive/SLT Member	Chief Executive/SLT Member in consultation with the Cabinet Member	SLT member in consultation with relevant Cabinet Member, the s151 Officer and Head of Law	S151 Officer or the Director of Resources on recommendation of the Contracts Assurance Board on recommendation of Head of Procurement
Revenue Contracts	£0.5m to £1.5m	<ul style="list-style-type: none"> Chief Executive/SLT Member in consultation with the Cabinet Member (<i>the total value of the contract is not modified by +/- 10% or more</i>) 	The Cabinet Member	SLT member in consultation with relevant Cabinet Member, the s151 Officer and Head of Law	
Revenue Contracts	£1.5m to £5m		The Cabinet Member	The Cabinet Member(s)	
Revenue Contracts	Over £5m	<ul style="list-style-type: none"> Cabinet Member (<i>the total value of the contract is modified by +/- 10% or more</i>) 	The Cabinet Member	Cabinet	
Capital Contracts:					
Capital Contracts	Services Threshold (currently £189,330) to £1.5m	Chief Executive/SLT Member	Chief Executive/SLT Member in consultation with the Cabinet Member	SLT member in consultation with relevant Cabinet Member, the s151 Officer and Head of Law	S151 Officer or the Director of Resources on recommendation of the Contracts Assurance Board on recommendation of Head of Procurement
Capital Contracts	£1.5m - £5m	<ul style="list-style-type: none"> Chief Executive/SLT Member in consultation with the Cabinet Member (<i>the total value of the contract is not modified by +/- 10%</i>) Cabinet Member (<i>the total value of the contract is modified by +/- 10%</i>) 	The Cabinet Member	The Cabinet Member(s)	
Capital Contracts	Over £5m		The Cabinet Member	Cabinet	

Appendix 5: SLT Members responsibilities

The SLT Member's responsibilities referred to in [CSO 5](#) are as follows:

- to ensure compliance with legislation and Council Policy;
- to ensure value for money in all procurement and contract matters;
- to ensure compliance with these CSOs and the Financial Regulations;
- to maintain a departmental register of decisions taken for contract-related activities;
- to ensure that all relevant staff are familiar with the provisions of these CSOs, Financial Regulations and the Council's e-tendering system and that they receive adequate training on their operation;
- to ensure compliance with any guidelines issued in respect of these CSOs;
- to take immediate action in the event of a breach of these CSOs or within his or her area;
- to keep proper records of all contracts, tenders, etc. including electronic data files (where electronic tendering systems are used), minutes of tender evaluation panels and other meetings;
- to keep appropriate departmental records of all contracts awarded (using the Council's e-tendering system¹) where these have a total value of £5,000 and over (in keeping with the statutory requirements on transparency);
- the safekeeping of all original contracts which have been completed by signature and where the value is below £100,000. For contracts which exceed this figure an electronic copy of the sealed contractual paperwork is uploaded on the Council's Contracts Register or passed to the Procurement Team for upload in the Contracts Register (and thereafter safekeeping);
- comply with these CSOs, Financial Regulations, Codes of Conduct and with all UK and European Union binding legal requirements and must also:
 - keep the records required by [regulation 84](#) of the PCR and [CSO 18](#);
 - ensure that Tender procedures are conducted in accordance with procedures set out in the Invitation to Tender;
 - ensure that agents, consultants, and contractual partners acting on their behalf also comply; and
 - take all necessary legal, financial and professional advice.

In addition, no member or officer may accept any form of hospitality from any candidate during a procurement competition (or similar exercise). Hospitality from suppliers, service providers or contractors who have or may have in the future current contracts with the Council may only be accepted in accordance with the "Guidance on Gifts and Hospitality" which forms part of the Council's Constitution (for members) and "Policy and Procedure for: Acceptance of Gifts and Hospitality by Employees: Guidance on the receipt of gifts, benefits and hospitality" that is part of the Council's Personnel Procedures (for officers). For both members and officers the appropriate Register of Gifts and Hospitality should be completed in accordance with this guidance.

Appendix 6: Modifications and regulation 72 of the PCR

Some modifications to Contracts are permissible if they can be said to be covered by one or more of the following safe harbours:

Regulation of the PCR	Scenario	Criteria
Reg 72(1)(a)	Where the initial documents set out that it is possible for the Council to modify the terms of the contract or Framework Agreement.	This ability to modify must be written in <u>clear, precise and unequivocal review clauses</u> in the initial documents provided that the clauses state the scope and nature of possible modifications or options and do not provide for modifications which would alter the overall nature of the Contract/Framework Agreement.
Reg 72(1)(b)	Where additional works, services and/or suppliers have become necessary for the contractor to perform its obligations under the contract/Framework Agreements.	To rely on this, it must be shown that it is not possible to change contractor because: A) economic and technical reasoning applies such as interchangeability, or interoperability with existing equipment, services or installations procured under the initial procurement and B) this would cause ' <u>significant inconvenience</u> ' or ' <u>substantial duplication of costs</u> ' for the Council. In addition, the value of the additional works, services and/or suppliers required cannot exceed 50% of the value of the original Contract. Finally, a notice must be published accordance with regulation 51 of the PCR.
Reg 72(1)(c)	Where an unforeseeable circumstance has arisen	This can only be relied upon where: <ul style="list-style-type: none"> • where the need for the change has been brought about by circumstances which a diligent contracting authority could not have foreseen; and • the modification does not change the overall nature of the contract; and • any increase in price caused by this modification cannot exceed 50% of the value of the original contract. Finally, a notice must be published accordance with regulation 51 of the PCR.
Reg 72(1)(d)	Where a new contractor replaces the original as a result of corporate restructuring, a takeover, merger, acquisition, or insolvency	Provided that: <ul style="list-style-type: none"> • the contract includes an unequivocal review clause permitting the transfer; and • the transfer is as a consequence of 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; and

Regulation of the PCR	Scenario	Criteria
		<ul style="list-style-type: none"> • this does not result in other substantial modifications to the contract and not aimed at circumventing the PCR.
Reg 72(1)(e)	Where the modification is not substantial	<p>A substantial modification is one which:</p> <ul style="list-style-type: none"> A) Renders the contract/framework materially different in character; or B) Would have attracted additional bids or an alternative bid pool during the procurement process or would have meant the council could have accepted another bid; or C) Makes the agreement more favourable to the contractor in a way that was not provided for in the original documentation; or D) Where the scope of the contract/framework is extended considerably; or E) Where a new contractor replaces the original for reasons not set out in regulation 72(1)(d) above.
Reg 72(1)(f)	Low value modification	<p>Where:</p> <ul style="list-style-type: none"> • the value of the modification will not exceed certain thresholds; and • the modification does not exceed 10% of the original contract value for services and supplies and 15% of the original contract value for works contracts. <p>Provided always that the nature of the contract is not changed.</p> <p>When considering the value any modifications made should be considered so that the cumulative value must comply with the above.</p>

Appendix 7: Time Limits for Procurements

The following time limits apply to Above Threshold procurements.

Procedure	Minimum time limits	Days	Days if Council accepts electronic submission of tenders	Days if PIN is used (in addition to a contract notice)	Days if all reductions apply (electronic tenders and PIN)
Open (Regulation 27)	Minimum time for receipt of tenders from date contract notice sent	35	30	15	N/A
Restricted (Regulation 28)	Minimum time for receipt of requests to tender (SQ response) from the date the contract notice sent	30	N/A	N/A	N/A
	Minimum time for receipt of tenders from the date the invitation to tender sent	30	25	10	5
Competitive negotiated (Regulation 29)	Minimum time for receipt of requests to tender (SQ response) from the date the contract notice sent	30	N/A	N/A	N/A
	Minimum time for receipt of initial tenders from the date the invitation to tender sent	30	25	10	5
Competitive dialogue and Innovation partnership (Regulation 30 and 31)	Minimum time for receipt of requests to participate in dialogue or negotiate from the date the contract notice sent	30	N/A	N/A	N/A
	Minimum time for receipt of tenders from the date the invitation to tender sent	No minimum. Timescale determined by contracting authority.	N/A	N/A	N/A

Appendix 8: Procurement process step by step for High Value procurements

1. GLOSSARY OF SPECIFIC TERMS

1.1. Set out below are some specific terms which apply to this Appendix.

Competitive Dialogue Procedure	To be used in specific situations set out in Regulation 30 of the PCR.
Competitive Procedure with Negotiation	To be used in specific situations set out in Regulation 29 of the PCR.
Negotiated Procedure without prior publication	Used in exceptional circumstances. Refer to Regulation 32 of the PCR.
SQ or Selection Questionnaire	An application form use for admission to a DPS or an Approved List or in response to an invitation to Tender where pre-qualification is being used.
Prior Information Notice	A notice that is published in Find a Tender Service (FTS) OJEU advising the market of the intention to start tendering within the next 12 months. It may be used to seek the views from interested parties on proposed packaging arrangements, or (in certain circumstances) as a call for competition.
Restricted procedure	Two stage process defined in the PCR Reg 28 that involves a pre- qualification assessment of all candidates responding to a Contract Notice prior to deciding who will be invited to tender.
Select list	A list of those to be invited to Tender compiled following expressions of interest received from external organisations who have responded by submission of an SQ to an: <ul style="list-style-type: none"> • Advertisement appearing in a local newspaper and/or trade journal (if considered appropriate); and/or • Publication on the Council’s website; and/or • Contracts Finder advert; and/or • Find a Tender Service (FTS) OJEU Contract Notice (except for non-priority [Part B] services – a Voluntary FTS OJEU Contract Notice may be considered), if the estimated value is above EU threshold
Dynamic Purchasing System	To be used in specific situations set out in Regulation 34 of the PCR.

35. PRELIMINARY MARKET CONSULTATIONS (REGULATION 40 AND 41 OF THE PCR)

- 35.1. The SRT may arrange a preliminary market testing exercise where:
- 35.1.1. potential suppliers and others are consulted with prior to the issue of the Invitation to Tender in general terms about the nature, level, broad estimated value and standard of the supply, contract packaging and other relevant matters provided this does not have the effect of distorting competition and does not result in a violation of the principles of non-discrimination and transparency, and
 - 35.1.2. may, where an existing contract exists, obtain from the current service provider information on service delivery aspects.
- 35.2. Where technical advice on the preparation of contract documentation is sought from any organisation or person(s) who may have a commercial interest in bidding, arrangements must be put in place so not as to prejudice the outcome by distorting competition and/or compromising the equal treatment of all potential Candidates. Where there is potential that the process may be distorted or compromised then advice from the Head of Procurement and the Head of Law must be sought.
- 35.3. You should consider the use of a PIN notice to draw the market consultation to the alteration of potential respondents. The Council's e-tendering system must be used when a Prior Information Notice (PIN) is issued.

36. PROCUREMENT STRATEGY

- 36.1. For High Value Contracts, the SRT shall prepare the [Procurement Strategy](#) for approval by the relevant SLT Member. Where the proposed Contract relates to a new service or initiative or the purchase or construction of a new asset, the [Procurement Strategy](#) must also include a Business Case.
- 36.2. The [Procurement Strategy](#) must cover:
- 36.2.1. **Procurement method:** consider what procurement method is most likely to achieve the purchasing objectives, including:
 - 36.2.1.1. internal provision ("make decision"); or
 - 36.2.1.2. external sourcing ("buy decision"); and/or
 - 36.2.1.3. collaboration (including a joint working arrangement between the Council and other local authorities) with other purchasers, partnering and long-term relationships; and/or
 - 36.2.1.4. the use of a DPS or Framework already let by the Council, or a DPS or Framework let by another Central Purchasing Body and which has been awarded on the basis that it can be used by others in particular the Council;
- 36.3. Where paragraph 37.2.1.4 applies, as part of its report seeking approval the SLT Member shall provide evidence that:
- 36.3.1. the Council is within the class of persons eligible to call off from the DPS or Framework;
 - 36.3.2. the goods, works or services required to be procured are within the scope of the DPS or Framework;
 - 36.3.3. the call off procedures required under the rules of the DPS Framework or have been established and will be followed, and that a fair and transparent process will be used;
 - 36.3.4. the Head of Law has reviewed the proposed call off terms and conditions (to the extent that they are specified by the DPS or Framework) to ensure that they do not compromise the Council's interests.
- 36.4. In general, the SLT Member shall ensure that the report seeking approval for the [Procurement Strategy](#) includes:

- 36.4.1. **Contract Period:** this should include any potential extensions and/or break periods. If the Contract is a Framework Agreement then the Contract Period shall not exceed 4 years.
- 36.4.2. **Contract Value:** the estimated Contract value. Ensuring that there is an estimating process which sets out the initial Contract estimate, revised estimates and tender estimate. Such estimates must reflect current or expected market values and must not be over or under inflated as a means of avoiding the requirements of either or both the PCR or these CSOs.
- 36.4.3. **Expenditure:** appraise the need for the expenditure and its priority and identify the relevant budget and confirm that:
- 36.4.3.1. there is approval for the expenditure in accordance with Financial Regulations; and
- 36.4.3.2. for non-procurement related issues, the appropriate approvals, for example, those found in Financial Regulations have been complied with;
- 36.4.4. **Consultation:** consultation undertaken with service users (as may be appropriate) about the proposed procurement method, contract standards and also performance and user satisfaction monitoring.
- 36.4.5. **Options:** consider the needs of the business and sourcing possibilities. This includes options for extension.
- 36.4.6. **Procurement Process:** take into account any procurement guidance issued by the Head of Procurement, and/or the Chief Executive (or any other officer they nominate). Depending on whether the Contract Value is:
- 36.4.6.1. Below the Relevant Threshold for supplies/services in which case the procurement shall be an open procedure;
- 36.4.6.2. above the Relevant Threshold for supplies/services or all High Value Contracts for works in which case decide on the most appropriate process:
- open procedure; or
 - restricted procedure; or
 - light touch arrangement (applicable only to social and other specified services); or
 - only with the Head of Procurement's prior approval:
 - competitive dialogue; or
 - competitive procedure with negotiation; or
 - innovation partnership; or
 - use of the negotiated procedure without prior publication (direct award) and
 - whether the procurement competition will include an electronic auction (including reverse).
- 36.4.7. **Advertising Process:** in accordance with CSO 18 agree the appropriate advertising process.
- ~~36.4.8. **Local and SME/VCSE provision:** For below Threshold Social and Other Specific Services and Works Contracts, in accordance with CSO 4.8 to CSO 4.12 assess the contract may be reserved to Local and SME/VCSE suppliers.~~
- ~~36.4.8.~~
- 36.4.9. **Contract packaging** - consideration of whether the Contract can be divided into separate lots and if the contract is not divided reasons as to why not should be recorded in the [Regulation 84](#) Report and [Procurement Strategy](#).

- 36.4.10. **Establishing a Framework Agreement:** where the [Procurement Strategy](#) relates to the establishment of a framework for other public sector bodies to purchase through, the Strategy must show how it will ensure compliance with the Local Authorities (Goods and Services) Act 1970 and/or the Local Government Act 2003 as appropriate and must be approved by the Head of Procurement.
- 36.4.11. **Preliminary Market Consultations:** consider the outcome of any preliminary market consultations aimed at ensuring the draft specification and the terms & conditions are achievable at realistic costs to the Council.
- 36.4.12. **Tender documentation:** The SRT shall in the Procurement Strategy report:
- 36.4.12.1. detail the main provisions contained in the draft specification and ascertain what the relevant [European or international](#) standards (may be referenced to a corresponding British standard) which apply to the subject matter of the contract. Such standards must comply with [regulation 42](#) of the PCR. The SRT must conclude those standards that are necessary properly to describe the required quality.
 - 36.4.12.2. detail how the procurement shall ensure stimulation of the market and to ensure sufficient tenders are received;
 - 36.4.12.3. define the objectives of the purchase and, where appropriate, ensure that they meet the requirements of the Council;
 - 36.4.12.4. identify any significant variations to the Council's standard terms and conditions;
 - 36.4.12.5. identify the Award Criteria to be used (not just the split between price: quality) and the reasoning for the recommendation ensuring the optimum combination of whole life cost and quality;
 - 36.4.12.6. securing wider social, economic and environmental benefits for the community for all contracts (services, works, supplies, concession etc). Including specifically for service contracts how the proposed tender documents meet the statutory requirements contained in the Public Services (Social Value) Act 2012 and the Council's policy on social value;
 - 36.4.12.7. consider, where it is appropriate, the Council's responsibilities under the Civil Contingency Act in terms of potential emergencies and the continuity of high priority services; and
 - 36.4.12.8. other legislation relating to the contract.
- 36.4.13. **Data Protection:** The SRT should consider what personal data will be collected or processed as part of the contract. A Data Protection/ Privacy Impact Assessment should be carried out and reference should be made to the guidance provided by the Information team within the Council.
- 36.4.14. **Special Conditions:** The SRT shall consider special conditions relating to the performance of a contract in accordance with [regulation 70](#) of the PCR. These may include economic, innovation-related, environmental, social or employment-related considerations.

37. AWARD CRITERIA

- 37.1.1. In accordance with the PCR all award criteria and sub-criteria relating to the award must be clearly published and refer only to relevant considerations.
- 37.1.2. The award of all High Value Contracts must be on the basis of the most economically advantageous tender. The recommended quality:price ratio is 60:40. Deviations from this split can be proposed but justification to changes should be included in the award approval report submitted.

- 37.1.3. The award criteria must be published as part of the tender documentation.
- 37.1.4. Evaluation must only be made using the published criteria and sub-criteria. Criteria may include:

- | | | |
|---|--|-----------------------------|
| ➤ Price | ➤ quality of service | ➤ quality of goods |
| ➤ whole-life running costs | ➤ whole life cycle costs | ➤ technical merit |
| ➤ cost effectiveness | ➤ quality | ➤ delivery date |
| ➤ long-term relationships | ➤ safety | ➤ after-sales services |
| ➤ technical assistance | ➤ partnering arrangements | ➤ social value |
| ➤ relevant environmental considerations | ➤ aesthetic and functional characteristics (including security and control features) | ➤ any other relevant matter |

37.2. Social value must form part of evaluation of the award criteria for any High Value Contract. A minimum of 105% of the quality overall score shall be attributed to social value in accordance with the Council's Social Value Policy.

37.3. Award Criteria and sub-criteria must be designed to secure an outcome giving best value for money for the Council. The Award Criteria and selection criteria must not include:

37.3.1. Non-commercial Considerations; or

37.3.2. matters which discriminate against suppliers from ~~the European Economic Area~~ or signatories to the Government Procurement Agreement.

37.4. The Award Criteria must be set out in the Procurement Strategy.

38. CONTRACT PACKAGING – CONSIDERATION OF DIVIDING INTO LOTS

38.1. In accordance with regulation 46 of the PCR, the Council may decide to divide the procurement competition into separate lots. However, where the decision of the Council is not to subdivide into lots that decision must be recorded in:

38.1.1. the Regulation 84 Report if the Contract is Above Threshold; and/or

38.1.2. the Procurement Strategy.

38.2. However, the consideration must not be to enter into separate Contracts, nor select a method of calculating the total value, in order to avoid the requirements of the PCR or to minimise the application of these CSOs (otherwise known as disaggregation).

39. TENDER APPRAISAL PANEL

39.1. The TAP may be similar in its composition to that of the SRT. It will ensure that the procurement exercise is managed in accordance with existing legislative requirements and the Procurement Strategy that has been approved by the Council. Its roles include finalising all final documentation required to undertake a procurement exercise, with appropriate legal and procurement advice it also conducts evaluations at qualification and/or award stages.

39.2. The TAP will be chaired by the SLT Member or his/her delegated deputy (or where there are several

departments involved, in the department with the highest spend), with a senior sponsor, and include relevant stakeholders (e.g. Contract Officer). It will consult and engage relevant professional officers including but not limited to legal, finance, procurement, IT and HR. It will also commission additional expertise where this is warranted. It will be responsible for:

- 39.2.1. ensuring a contract is put in place in accordance with legal requirements,
 - 39.2.2. meeting required deadlines and service requirements,
 - 39.2.3. obtaining value for money, and
 - 39.2.4. meeting the agreed objectives set out in the Procurement Strategy.
- 39.3. In most instances the TAP will identify and appoint a Contract Officer who will be responsible for the day to day running of the procurement exercise. The Contract Officer will be a member of the TAP.
- 39.4. Before beginning the tendering process, the Contract Officer responsible for it must, in a manner commensurate with the complexity and value of the project:
- 39.4.1. act on the agreed recommendations set out in the agreed Procurement Strategy;
 - 39.4.2. take into account any procurement guidance issued;
 - 39.4.3. assess the risks associated with the procurement and how to manage them; and
 - 39.4.4. have due regard to the Council's Social Value responsibilities under the Public Services (Social Value) Act 2012 and Public Sector Equality Duty arising from the Equality Act 2010 and other relevant legislation.
- 39.5. The TAP shall appoint the appropriate professional officers (and in most instances this will include the Contract Officer) to evaluate expressions of interest or tenders received. These professional officers will individually score the submissions received and award marks (where appropriate) against the pre-published criteria set out in the Procurement Strategy. All evaluators are required to record their individual scores in the Council's e-tendering system. The TAP⁵ will then consider these individual scores and shall arrive at and agree a consensus score for all criteria during the moderation meeting. The moderation meeting is chaired by the Head of Procurement or a delegated (procurement) officer. The TAP shall not adopt, as a methodology, an average scoring arrangement.
- 39.6. The TAP will keep accurate records of all meetings, retain appropriate documentation and maintain proper records for transparency and audit purposes as set out in [regulation 84](#) of the PCR (where applicable) and paragraph 47 below.
- 39.7. The TAP will undertake post-project reviews where required. It will implement any corporate or collaboration requirements including supporting arrangements around any agreed approval processes and participating in any audits.
- 39.8. The TAP and appropriate SLT Member shall be responsible for ensuring that all persons or bodies invited to tender for the supply of goods, services or works to the Council have been suitably assessed and meet the PCR.

40. TENDER DOCUMENTATION

- 40.1. At the point of advertising the opportunity (for single-stage tendering) or when inviting Tenders after pre-qualification, all tender documentation must be complete and available on the Council's e-tendering portal for access by all economic operators who express interest in the project. This Invitation to Tender comprises at least the following:
- 40.1.1. the specification;
 - 40.1.2. the invitation to tender containing instructions on the process;
 - 40.1.3. the draft contract;

- 40.1.4. the form of tender;
- 40.1.5. response requirements; and
- 40.1.6. the Award Criteria.

- 40.2. Where an open procedure is used, the Invitation to Tender shall also include a Minimum Standards Questionnaire.
- 40.3. The TAP shall be responsible for preparing the Invitation to Tender documentation.

41. INVITATION TO TENDER/QUOTE

- 41.1. High Value Contracts are awarded on the basis of the most economically advantageous tender, and tenderers must be informed of the evaluation model and award criteria in the Invitation to Tender documents. The subsequent evaluations must be carried out in accordance with them.
- 41.2. The Invitation to Tender shall state that no Tender will be considered unless it is received by the date and time stipulated in the Invitation to Tender. No Tender delivered in contravention of this clause shall be considered.
- 41.3. All Invitations to Tender instructions shall be on the Council's Standard Form.
- 41.4. All candidates invited to tender or quote must: (a) be issued with the same information, (b) at the same time and (c) subject to the same conditions. Any supplementary information must be given on the same basis.

42. PRE-QUALIFICATION STAGE

- 42.1. Where a pre-qualification stage applies, the government's SQ Form shall be used, together with appropriate service-specific questions. This must be published through the e-tendering system together with a methodology for evaluating the SQ responses and a draft specification. However, if the High Value Contract is also above the Threshold, then the Award Criteria for the Tender stage(s) must also be published, together with the draft contract and method statement questions that are used to evaluate against the Award Criteria. See also paragraph 43 below for conduct of this shortlisting stage.

43. SHORTLISTING

- 43.1. The shortlisting of economic operators applies where expressions of interest have been sought using either the restricted procedure, or light touch procedure, competitive procedure with negotiation, or competitive dialogue procedure.
- 43.2. The TAP is responsible for shortlisting of economic operators.
- 43.3. The form of selection questionnaire is included on the Council's e-tendering system and should not be amended. Only additional questions can be included. The selection questionnaire is backward looking and should not include any questions about the provision of the project to the Council, but instead should ask about current capacity and standing. Information sought at selection stage cannot be re-sought (or re-used) at tendering stage.
- 43.4. The TAP will agree the methodology for selecting economic operators to invite to tender and this shall be set out in the SQ Guidance documentation.
- 43.5. The TAP shall arrive at a consensus decision on which economic operators to invite to tender.
- 43.6. Where an economic operator is a subsidiary of a parent company, and:
 - 43.6.1. there is some concern about the financial stability of the economic operator; and/or
 - 43.6.2. the award of the Contract is based on an evaluation of the parent company,then the TAP must consult the Director of Finance about the use of a Parent Company Guarantee.

43.7. There is no requirement to obtain a bond from a candidate unless the TAP considers it an appropriate way to mitigate risks identified during the procurement process.

44. SUBMISSION, RECEIPT AND OPENING OF TENDERS:

44.1. Unless otherwise agreed by the Head of Procurement, all Quotations and Tenders must be received through the Council's e-tendering system.

44.2. The Head of Procurement will be responsible for the verification of all tenders and quotations that have been submitted electronically through the e-tendering system.

44.3. Any Quotation or Tender received after the date and time for its return cannot and must not be accepted. Late tenderers will be advised that their Tender has been rejected because it was received after the date and time scheduled for its return.

44.4. The Contract Officer must not disclose the names of tenderers or candidates to any Council staff not involved in the procurement process.

45. EVALUATION AND AWARD OF CONTRACTS

45.1. The TAP will take responsibility for the evaluation of all tenders received and the arrival of the final consensus scores.

45.2. In accordance with statutory requirements contained in the PCR the confidentiality of Quotations, Tenders and the identity of Candidates must be preserved at all times, and information about one Candidate's response must not be given to another Candidate. Where questions are received prior to the return of tenders, then the Contract Officer shall anonymise both the question(s) and response(s) and forward to all tenderers for information, unless the questions are tenderer-specific.

45.3. In accordance with 41.1 above, where a Contract is to be awarded on the basis of the most economically advantageous tender received, the evaluations must be carried out in accordance with the pre-published evaluation model and award criteria.

45.4. [Regulation 56\(4\)](#) of the PCR provides the Council with discretion to accept Tenders that appear to be incomplete or erroneous or where specific documents are missing provided that such requests are made in full compliance with the principles of equal treatment and transparency. These omissions and or errors must be resolved in order to evaluate all Tenders on an equal and transparent basis

45.5. The arithmetic in compliant Tenders must be checked. If arithmetical errors are found they should be notified to the tenderer, who should be requested explain the discrepancy. Such a discrepancy may, in certain circumstances, be acceptable under [regulation 56](#) of the PCR, otherwise the tender must be required to confirm or withdraw their tender. Alternatively, if the rates in the Tender, rather than the overall price, were stated within the Invitation to Tender as being dominant, an amended Tender price may be requested to accord with the rates given by the tenderer.

45.6. The Council has a statutory duty under [regulation 69](#) of the PCR to investigate any tender that appears to be abnormally low.

45.7. Where the tender recommended for acceptance is more than 10% below the estimate, a report in accordance with these CSOs the awarding report required in accordance with these CSOs shall explain the reasons for the difference and confirm that the contractor has provided written confirmation that they are able to fulfil the contract for their tendered sum.

45.8. SLT Members shall ensure that submitted tender prices or rates are compared with any pre-tender estimates and that any discrepancies are examined and resolved satisfactorily. Details of correspondence needs to be kept on the project file, and this information needs to be recorded in decision award reports (to SLT Members, Cabinet Member Decisions or Cabinet Reports).

45.9. As soon as possible after the contract has been awarded the Council must send a contract award notice to the [Official Journal of the European Union](#) [Find a Tender Service](#). In accordance with the PCR this must be done within 30 days. The only exception is any contract that is Below Threshold.

46. POST-TENDER

- 46.1. Post-tender clarification must only be conducted in accordance with the guidance issued by the Head of Procurement and/or the Head of Law, both of whom must be consulted wherever it is proposed to enter into such post-tender clarifications.
- 46.2. Negotiation is not permitted post tender (or final tender in the case of a CPN).
- 46.3. Where tenders are received above the approved budget, the Officer may consider adjusting the specification and **all the candidates** must be asked to re-submit based on an amended specification in order, to bring the cost within budget. However, where it is identified that there needs to be a fundamental change to the specification (or contract terms), the Contract must not be awarded but retendered in accordance with the PCR.

47. AWARD OF CONTRACT

- 47.1. This shall be communicated through the e-tendering system using a formal letter of award. For Above Threshold Contracts, it must first be preceded by the standstill process referred to in paragraph 48.1.1.

48. RECORDS AND DEBRIEFING CANDIDATES

48.1. Standstill Period and Debriefing

- 48.1.1. The requirements of Reg 55 and Reg 86 of the PCR shall be complied with for all Above Threshold Contracts. See further paragraph 50.
- 48.1.2. For Below Threshold Contracts, debriefing may be conducted after award notification.

48.2. Report of procurement process

- 48.2.1. Regulations 83 and 84 of the PCR provides a statutory framework for the retention of contract documentation and a requirement to develop a contemporaneous report detailing the decisions taken during all procurement processes above the thresholds. This must be complied with for Above Threshold Procurements.

49. RECORD RETENTION

- 49.1. A Contract must be kept for six years (12 years if the Contract is a deed) after the final settlement of the Contract.
- 49.2. Documents which relate to the procurement process should be kept for a minimum period of 12 months, provided there is no dispute about the award (these may be stored electronically).

50. DEBRIEFING OF CANDIDATES – REGULATED PROCUREMENTS

- 50.1. Where a tendering exercise is regulated by the provisions of the PCR, Candidates must be simultaneously notified (in writing) and as soon as possible after any decision has been made in connection with their exclusion from the process or the outcome of the award decision is known. The process is set out in [regulation 55](#) of the PCR and must be strictly adhered to. There is a similar process in the [Concession Contracts Regulations 2016](#).
- 50.2. Where the Council has applied a quality-price award criteria it has a statutory duty to inform the unsuccessful candidates of the relative advantages of the successful tenderer. This is usually carried out as part of the statutory cooling-off period after the award decision has been made. For tenders that are subject to the PCR there are strict rules that the Council must comply with and advice on their application must be sought from the Head of Procurement and/or the Head of Law.
- 50.3. The process shall be communicated in writing only and at no time will any officer of the Council be engaged in a verbal debrief with the unsuccessful candidates.

APPENDIX 9 – REPORT TEMPLATES

Report templates, the procurement strategy template and the waiver form template are available here:
<https://officesharedservice.sharepoint.com/sites/Governance/SitePages/Reports.aspx>

SPECIAL MOTION NO. 1 – LIMITING THE SECOND BIGGER WAVE OF PANDEMIC INFECTIONS

Standing in the names of:

- (i) Councillor Ben Coleman
- (ii) Councillor Patricia Quigley

This Council:

Expects swift, clear government action to deal with the coronavirus pandemic and its consequences, and recognises that anything less costs lives, damages the economy, causes business failures and unemployment, and threatens the NHS.

Agrees that in managing any epidemic or pandemic, the government must act upon the best scientific advice that not only explains what has happened but predicts what is likely to happen.

Notes that at a meeting on 13 December, London's council leaders heard from Public Health England that since early December the pandemic had been growing exponentially in London's population and that unless immediate lockdown action was taken the virus could grow out of control within days.

Notes that all London's council leaders called at that meeting for tough measures to be introduced immediately to control the virus by effectively "cancelling Christmas".

Regrets that the government resisted that call for five crucial days, leaving tens of thousands of asymptomatic but infected people to travel freely about the country and spread the infection.

Recognises that from the earliest days of the pandemic the Prime Minister and his government have frequently failed to act on the best scientific advice. Instead, they have dithered and prevaricated, too often focused on the politics above all else, and on too many occasions have acted too late and done too little. The Council calls on the government to urgently change its approach.

Notes that on 20 December, Health Secretary Matt Hancock admitted the virus was now "out of control".

Notes that at a meeting on 31 December, ministers, London council leaders and chief executives were told by a government public health expert that every class in every London school was estimated to contain at least one infected student.

Notes that the virus is largely being spread by people who are asymptomatic and that the consequences of this new peak in infection are likely to continue to 21 March at the earliest.

Recognises that the only solution now available to the government is a full lockdown.

Advises residents to do the following:

- **Stay home.** To stop the spread of the virus and cut the length of time a lockdown is needed, which will save lives, protect our NHS and save businesses and jobs
- **Get tested.** The more we know about who has the disease and how they got it, the better we can fight it. Hammersmith & Fulham has capacity to test 74,000 local residents over the next six weeks and urges residents to book via www.lbhf.gov.uk/gettested for a test at one of our three locations
- **Get the vaccine.** This is being rolled out to priority groups but the sooner everyone is vaccinated, the sooner life will begin to get better. People should get it as soon as they are offered it.
- **When out exercising: always wear a mask, practice strict social distancing and sanitation.** This means keeping a car's length away from other people and always sanitise when you've touched surfaces outside home.

SPECIAL MOTION NO. 2 – PROTECTING THE FINANCES OF HAMMERSMITH & FULHAM RESIDENTS AND BUSINESSES

Standing in the names of:

- (i) Councillor Max Schmid
- (ii) Councillor Wesley Harcourt

The Council notes recent demands made by Government that the borough's residents and businesses face the consequences of paying an unprecedented £64million towards the repair of the 133-year-old Grade II* listed Hammersmith Bridge.

It also notes the £8.6million LBHF has been investing to repair the bridge since residents elected the current administration into office in 2014 and how that is ten times more than the previous administration spent during the whole of its eight years in office.

The Council recognises how the £64m demanded by the government is substantially more than any other London Council has paid for bridge maintenance noting: it is twenty-five times greater than the £2.6m the Royal Borough of Kensington and Chelsea was required to invest in the repair of Albert Bridge; and that data from the Ministry of Housing, Communities and Local Government demonstrates how, since 2010, only £100m has been spent by London Councils in total maintenance and repair of London road and river bridges – equivalent to less than £400,000 a year for each borough which, even then, saw most of that money eventually paid by the government or Transport for London.

The Council notes that the government has advised the Council that because the residents of Hammersmith & Fulham enjoy the third lowest Council tax in the country, they should and can afford to pay a significant increase (£800+ per taxpayer) in Council tax to meet their £64m demand.

The Council supports the Labour administration's commitment to keep Council tax and all resident charges low with H&F's Council tax remaining the third lowest in the country. It recognises that this is particularly important as residents face the consequences of a difficult recession which will see business failures and unemployment affecting many people's livelihoods across our borough and agree that our residents must remain our priority.

The Council recognises that Hammersmith & Fulham's low Council tax and improved services has been achieved despite a decade of Austerity which was introduced in

2010 by the Conservative/LibDem government, and which cut LBHF's budget as follows:

- in 2010/11 LBHF's total net budget was £184.345m
- in 2020/21 LBHF's total net budget is £121.003m

And it notes that the pandemic has caused the Council to spend millions of pounds keeping people safe and that these sums have not been fully repaid by government despite government's promises to do so.

The Council is therefore dismayed to note that on 7 December 2020, Lord Greenhalgh (Minister of State in the Ministry of Housing, Communities and Local Government) called for Hammersmith & Fulham's residents and businesses "to stump up the cash" to repair Hammersmith Bridge over just five years. He said: "*Surely £50 million over 5 years is a reasonable contribution from the Council that owns the bridge*". He also made the inaccurate statement that "LBHF has £61m in unearmarked Council reserves + a £20m general fund balance!"

The Council recognises that Lord Greenhalgh appears to have misunderstood the issues around local government finance when he stated that the borough has "*£61m in unearmarked Council reserves + a £20m general fund balance!*" The Council's 2019-20 accounts clearly set out £61m of earmarked, not unearmarked, reserves and a further £19m general fund balance. Earmarked reserves have been set aside for particular purposes, and the Council's auditors have recommended that to ensure financial resilience the Council work to increase, not decrease, reserves over the medium term.

The Council notes the contrast of Lord Greenhalgh's current position to that when he led this Council between 2006 to 2012 as he spent just £64,000 on the upkeep and maintenance of Hammersmith Bridge, which is 1,000 times less than the £64,000,000 the government has now requested the residents and businesses Hammersmith & Fulham pay toward its repair.

The Council regrets the slow progress made by the Government Task Force (set up by the Secretary of State on 9 September 2020) which is in large part because "*financing options*" for the repair works has not been allowed onto any of the Taskforce meeting's agenda.

It recognises that the Government Taskforce was set up to "effectively take over this project", to "*get this thing sorted*" accompanied by promises from Conservative national and London politicians that the Government has "*provided the money... to repair the bridge*".

The Council recognises that Hammersmith Bridge is an important road link largely benefitting people outside of Hammersmith & Fulham and that must be reflected in any agreed financial scheme.

SPECIAL MOTION NO. 3 – COUNCIL CONSULTATIONS

Standing in the names of:

- (i) Councillor Matt Thorley
- (ii) Councillor Mark Loveday

This Council acknowledges the huge contribution local residents make to towards all aspects of life in Hammersmith & Fulham. The Council is committed to working with local residents, not doing things to them. The Council recognises that local residents have a deep understanding of their local area, its needs, shortcomings and importantly what improvements can and need to be made to make H&F an even better place to live.

The Council plays a vital role in formulating and implementing policies and change in H&F. However, the Council understands that there are other important local stakeholders involved in this process as well. Local residents in particular have an invaluable role given their deep understanding of their local area. As such the Council regrets that many residents recently have felt that the Council is doing things to them, not with them.

This Council regrets recent examples of their failure to properly consult with local residents, including over the South Fulham Traffic Scheme, the hugely unpopular Wheelie Bin fiasco and the controversial proposals to sell off playgrounds and redevelop two primary schools, and resolves to put right these situations that have caused such anger with local residents.

The Council's resolves to adopt a LBHF Code of Good Practice to ensure that all future consultations with local residents and other local stakeholders are undertaken in a consistent manner that promotes genuine, wide public engagement. Such an approach will ensure all residents impacted by any scheme are properly consulted which will hopefully result in future schemes, when implemented, having the widest possible level of local support.

Agenda Item 7.4

SPECIAL MOTION NO. 4 – HAMMERSMITH BRIDGE ENGINEERING REPORTS

Standing in the names of:

- (i) Councillor Andrew Brown
- (ii) Councillor Victoria Brocklebank-Fowler

This Council resolves to release all the engineering reports associated with the closure of Hammersmith Bridge to the Council's Official Opposition and other elected representatives, including MPs and GLA members, to enable the democratic process of full scrutiny of the council's decisions and plans for Hammersmith Bridge to be carried out.

SPECIAL MOTION NO. 5 – COVID 19 VACCINATION PROGRAMME

Standing in the names of:

- (i) Councillor Andrew Brown
- (ii) Councillor Amanda Lloyd-Harris

This Council remembers once again the residents of Hammersmith & Fulham who have lost lives during the Covid 19 pandemic, recognises the suffering of those seriously affected by the disease, and pays tribute to all NHS staff, council officers, other public servants, including teachers, all key workers who have helped keep our borough running during the crisis as well as all residents of the borough who have followed the Government's guidance and helped keep their community safe.

This Council pays tribute to the incredible research and development carried out by scientists and the life sciences sector, both here in the UK, and also globally, that have seen three viable vaccines created in a breathtakingly short period of time giving our country and the world, real hope for a realistic end to the Covid 19 pandemic in the not so distant future.

This Council recognises the speed and scale with which the Government Vaccine Task Force, and the MHRA, have both acquired vaccine doses for the British people, and also carried out the thorough regulatory approval needed to safely begin the vaccination programme.

This Council notes the dedicated work that our NHS locally, is already providing to roll out the vaccination programme in Hammersmith and Fulham.

This Council further notes that, as per the Government's ambitious vaccination targets, roll out needs to be accelerated as quickly as possible, to ensure that restrictions on the public which are so harmful to our local businesses, society and general way of life, can be lifted as soon as safely possible.

This Council pledges to use its resources, both premises and staff, to assist the vaccination programme, wherever possible.