



**WATFORD
BOROUGH
COUNCIL**

COUNCIL MEETING

Tuesday, 11th October, 2016

7.30 pm

Town Hall, Watford

Publication date: 3 October 2016

Contact

If you require further information or you would like a copy of this agenda in another format, e.g. large print, please contact Caroline Harris on 01923 278372 or by email – legalanddemocratic@watford.gov.uk .

Welcome to this meeting. We hope you find these notes useful.

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3 October 2016

Councillor

You are hereby summoned to attend a meeting of the Council of the Borough of Watford to be held on Tuesday, 11th October, 2016 starting at 7.30 pm at the Town Hall, Watford to take into consideration and determine upon the following subjects, namely: -

- 1. Apologies for Absence**
- 2. Disclosure of Interests**
- 3. Minutes**

The minutes of the meeting held on 5 July 2016 to be submitted and signed.

Copies of the minutes of this meeting are usually available seven working days following the meeting.

(All minutes are available on the Council's [website](#).)

- 4. Official Announcements**
- 5. Mayor's Report (Pages 7 - 16)**
- 6. Questions by Members of the Council under Council Procedure Rule 10.0**
- 7. Questions by Members of the Public under Council Procedure Rule 11.0**
- 8. Petitions presented under Council Procedure Rule 12.0**
- 9. Business especially brought forward by the Chairman or the Head of Paid Service which in the opinion of the Chairman should be considered as a matter of urgency.**

10. Four year funding settlement (Pages 17 - 20)

Report of Head of Finance (Shared Services)

Report of Cabinet - 10 October 2016 (to follow)

11. Annual Report of Overview and Scrutiny in Watford Borough Council 2015/16
(Pages 21 - 50)

This report provides an overview of the scrutiny work carried out in Watford Borough Council in 2015/16.

12. Adoption of the Public Health Act 1925 by Watford Borough Council for Street Naming and Numbering Purposes (Pages 51 - 54)

Report of Head of Democracy and Governance

13. Amendment to the Council Scheme of Delegation (Pages 55 - 58)

Report of Head of Democracy and Governance

14. Changes to the Constitution (Pages 59 - 86)

Report of Democratic Services Manager

15. Appointments Committee (Pages 87 - 88)

Report of Democratic Services Manager

16. Motions submitted under Council Procedure Rule 13.0

The following motion has been proposed by Councillor Sohail Bashir and seconded by Councillor Ahsan Khan

“Council notes that in the Callowland Ward there has been a continuous and constant problem of street littering and flytipping with which residents of the ward have become increasingly concerned.

The Council also notes that firm action needs to be taken to significantly reduce the current levels of littering and flytipping in the ward.

We call upon this Council to increase the frequency of litter picking and street cleaning within Callowland. Furthermore, on behalf of residents, we call for a more proactive approach from this Council to deal with the chronic problems of flytipping in the Callowland Ward.”

The following motion has been proposed by Councillor Asif Khan and seconded by Councillor Sohail Bashir

“The council notes that the Kashmir issue has been ongoing for over 69 years.

Watford has strong ties with Kashmir as thousands of Watfordians have a Kashmiri heritage and links to the region.

The council is shocked and deeply concerned by the killing of over 150 people and hundreds of civilians blinded including children by the use of pellet guns by the Indian security forces since July 2016.

The council also believes in a diplomatic solution to this issue and once resolved it will bring peace and stability to the region.

We call upon the council to write to the Indian High Commissioner calling for the immediate cessation of the use of pellet guns on civilians, investigate human rights abuses and to engage in meaningful peace talks.

We call upon the council to write to the Watford MP, to raise with the foreign office to work harder for the implementation of UN resolutions on Kashmir and to push for a diplomatic solution.”

The following motion has been proposed by Councillor Matt Turmaine and seconded by Councillor Bilqees Mauthoor

“This council recognises that technological innovation is driving change in the taxi trade, with particular reference to companies like Uber.

Rider sharing drivers (e.g. Uber drivers) are operating in Watford already. It is important that they are brought within the council framework rules to ensure passenger safety and a thriving local taxi trade.

This council resolves that:

- *Drivers of such vehicles are subject to the same licensing regulations as existing private hire taxi cab drivers (e.g. licensed, regulated, trained, subject to inspection).*
- *The conduct of rider sharing services is monitored to ensure that practices outside of permitted private hire are not engaged in, e.g. ranking and that perpetrators are fined/prosecuted.*
- *The council should investigate offering compensation to existing licence plate holders for the negative pricing effect on their plate ownership, as numbers of Uber taxi drivers in Watford increases.*
- *The council should establish/maintain a dialogue with relevant*

organisations in relation to the debate on minimum wage and workplace rights impacting this business sector.”

A handwritten signature in black ink, appearing to read 'Manny Lewis'. The signature is written in a cursive style with a large, stylized 'L' at the end.

Manny Lewis, Managing Director

Mayor's Report – October 2016

Big Events

Big Screen on the Beach

This year we combined the 'Big Screen' and 'Big Beach' summer events into one, running throughout the school holidays from July 30th to August 29th.

The event was very popular with footfall increasing in the town and lots of positive feedback from families. As well as a variety of films, the Rio Olympics were also shown on the screen and during the daytime the beach hosted children's games and activities.

Other attractions included trampolines, a helter-skelter, an outdoor bar and food outlets.

Big Sports Day

Hundreds braved the rain to take part in our third Big Sport Day in the town centre. Members of the public had the opportunity to try their hand at dozens of sports from football thanks to Watford FC's Community Sports and Education Trust, to golf courtesy of TopGolf to athletics and lots more.

Big Fireworks

Our popular fireworks display returns to Cassiobury Park again this year on Saturday 5th November with entertainment beginning at 6pm and the fireworks display taking place at 7.30pm.

Independent local radio station Vibe FM will compere the event with a charity collection organised by Watford Lions.

Entrance is free.

Big Skate

Our next big event is the Big Skate which returns to the Parade in November. The events space will be transformed into an outdoor ice rink from November 26th throughout December and the Christmas Holiday period.

Audentior Awards

Our annual civic ceremony to celebrate outstanding voluntary contributions to the life of our town, the Audentior Awards, will be hosted in the Colosseum on Friday 7th October. This year's nominations were all of a very high standard and I am looking forward to hosting the event along with the Chairman of Watford Borough Council.

Major Projects Update

Cassiobury Park

I joined Council colleagues and site contractors for a tour of the Cassiobury Hub construction site. I was impressed by the progress which has been made and the building is certainly now taking shape.

This building will provide changing facilities, a café, and teaching and learning space.

At the Rickmansworth Road entrance to the park, work is currently taking place to improve this frontage to provide an impressive entrance for those arriving on foot or by bicycle from the Town Centre.

The work taking place includes the planting of new trees and shrubs, landscaping works, footpath improvements and the replacement of bollards with a painted metal railing.

The Bandstand

I was delighted to officially open the Watford Bandstand on Sunday September 4th. Hundreds of people turned up to celebrate the restoration of our historic bandstand with an afternoon of great music from local groups including the Watford Brass Band, and dance performances (with plenty of audience participation!) from the Jive Swing dance group.

The bandstand has been restored back to its original condition and painted in the colours of the Capel Family.

Next spring and summer there will be a full programme of entertainment but in the off season local performers are able to book the bandstand free of charge. This can be done by emailing cassiobury@watford.gov.uk.

The Cha Café officially reopened on the 4th September following a refurbishment, and the fountain which formerly stood in front of the café has been replaced.

Metropolitan Line Extension

Work to reroute utilities continues in the Croxley area in preparation for the construction of the viaduct which will carry the Metropolitan line over the Gade and Grand Union Canal.

Plans to improve Watford Junction and the Ascot Road area, where the new Cassiobridge Station will be constructed have been out to consultation recently.

Watford Health Campus

Work has began on the first business units on the Health Campus site which will provide hundreds of new permanent jobs when complete, and much needed additional space for businesses who are looking to invest in Watford.

Work on the new road is progressing well and will officially open on November 15th.

The road will be named 'Thomas Sawyer Way' in honour of Captain Thomas Sawyer who died while serving with the Royal Artillery in Afghanistan. We have worked with Tom's family to produce special road signs for the development which will commemorate his life and display the badge of his regiment.

Digital Watford

Our town centre Wi-Fi service, provided and managed by intechologyWIFI now has over 20,000 registered users. The scheme is free to use and operates at no cost to the council.

The Digital Watford Board has met and is working collaboratively with digital specialists including local firm Freedom Communications and web content management platform Jadu.

Partnership Working

Watford BID

Watford BID installed floral displays throughout the town centre which have received a large amount of positive feedback from residents.

The BID also held their first 'Watford Weekender' event which saw retailers in the town centre offer discounts, competitions, special offers and children's activities over the weekend of October 1st and 2nd.

Hertfordshire Constabulary

I took part in a community litter pick organised by the franchisee at McDonalds St Albans Road (Longspring) with Hertfordshire Constabulary PCs and PCSOs as well as restaurant staff and a team of local volunteers.

Hertfordshire Constabulary held a successful Police Station open day, and will be running a bicycle security event on 15TH October on the Broadway Queens Road. Security marking will be offered free of charge and officers will be on hand to give advice about safe cycling and ensuring bikes are locked securely.

Following the reported spike in racially aggravated incidents after the EU referendum result, I liaised closely with the police regarding community safety in Watford. The Chief Inspector reassured me that there had been no year-on-year rise in hate crimes following the vote. The police have been issuing advice to call 101 if you have witnessed racially aggravated crime.

Cultural Leaders

I recently visited the Harry Potter Studios at Leavesden with the Association of Leading Tourist Attractions. I visited the Hogwarts Great Hall and discussed the benefits to Watford of having such a large attraction on the outskirts of our town.

Herts County Council and Hertsmere Borough Council

I liaised with both the County Council and Hertsmere Borough Council to ensure Stephenson Way was litter picked at the same time as road repairs were taking place. The poor condition of this road has been remarked on by so many visitors to Watford, and people are often surprised to find that it isn't actually in our borough.

I am grateful to staff from both councils for coordinating this work and smartening up a major route into our town.

Supporting Local Organisations

Watford Ahmadiyya Muslim Community

I attended the annual Jalsa Salaana celebrations in Hampshire with members of Watford's Ahmadiyya community. I was invited to address the assembly and I spoke of the outstanding contribution Watford's Ahmadiyya community make to our town – from local charity work to fundraising for international causes and the provision of education.

The event is one of the biggest Muslim gatherings in the country and I was very impressed with the way the event was managed and for the hospitality I received.

Dragon's Apprentice

Entrants to Watford and Three Rivers Trust's 'Dragons Apprentice' competition visited the Town Hall where I spoke to them about the competition and their ideas.

Jewish Cultural Event

I visited Watford Synagogue for a Jewish cultural celebration organised by the Five Plus One group of Synagogues. The event features traditional music, an 'ask a Rabbi' session and keynote speakers including the president of the Board of Deputies of British Jews.

Wellspring Church

I attended the first 'Favour Lunch' at the Wellspring Church, the first in a series of events for women in the Church community to come together. The event was hosted by Rev. Helen Roberts and the church have similar events planned over the coming weeks.

Disability Association

I hosted the annual Watford Disability Association quiz night in the Colosseum which raised funds for the vital work the association does to help disabled people all over Watford.

Watford Town Cricket Club

I met with young cricketers from Watford Town CC to congratulate them on finding a new shirt sponsor. Kaspas desserts on St Albans Road have generously agreed to sponsor the club.

St John's School

St Johns School has now opened and has accepted its first intake of pupils for the start of the 2016/17 academic year. I was pleased to attend an opening ceremony and blessing with the Bishop of St Albans, Rt Revd Dr Alan Smith.

I have been a supporter of this project from the start and I am delighted to see the school taking its first pupils. I wish staff, governors and pupils the very best of luck for the years ahead.

Community relations and the European Referendum

I attended an event at the Watford Town and Country Club with Hertfordshire Constabulary, Central Ward councillors and anti-racism charity "Hope Not Hate" to deal with concerns residents had about the reported rise in racism across the country following the vote to leave the EU. I spoke of the immense contribution our European citizens bring to Watford.

I am pleased that our town has not seen the spike in hate crime reported elsewhere. Councillors, the police, schools, religious groups and community groups have all

worked together closely to foster a sense of cohesion in our town and I am pleased to see this continue.

I have also written to community groups and religious organisations following the referendum to express my thanks for their important work in our town, to celebrate the contribution our different faith and ethnic communities bring to the town, and to encourage the reporting of any racially aggravated crime to Herts Police immediately.

Business News

High Street Footpath Widening

The pavement at the lower end of the High Street has now been widened to make it easier for pedestrians to get between High Street Station and the town centre. It's the latest stage in a project aimed at improving access to the town by public transport and by bicycle.

Bus stops for routes 142 and 258 have been relocated to King Street and services 8, 306, 306b, 346, 398, 602, W19 and W20 now stop further up the High Street outside McDonalds.

Cabinet was presented with a range of options to provide new disabled parking bays and loading areas in the town centre. The proposals were agreed and I am hopeful that over the coming months work will be able to begin on constructing these new parking spaces.

New arrivals

I cut the ribbon to open two news shops which have joined our expanding range of town centre business. A new Fishmongers has opened in Market Street and Poundworld has relocated to the former Multiyork building next to the flyover.

I am also pleased to welcome Waterstones back to the Town Centre. I had previously written to Waterstones head office back in 2013 asking for them to consider returning to Watford. As one of my favourite high street stores I'm very glad to see them return!

Elsewhere Wilkinsons have expanded, Five Guys Burgers and Fries have taken over the old Que Pasa building and the intu Centre has welcomed Cath Kidston. MAC makeup will be opening a store in intu this Autumn too.

Our town continues to attract a large variety of established brand names and independent traders. The extension of the intu centre is under construction and will add an even greater range of businesses to our town's retail offer.

Engaging the Community

Public Mayor's Surgery

I held another successful 'Meet the Mayor' public surgery in North Watford recently with Cllr Robbie Laird. The event at Coffee Bros café on St Albans Road was an opportunity for residents to raise local issues with me, which I have then taken up on their behalf.

I will continue to hold public surgeries and 'Meet the Mayor' sessions in different locations across the town.

Watford Met Station

I am continuing to press the case for a peak time service to be retained at Watford Met Station to serve Cassiobury residents once the new Metropolitan Line Extension is open.

I have written to Mayor Khan to outline what I believe is a compelling argument for the retention of a peak hours service to and from Watford Met. London Underground's most recent plans for the station include using the Met Station site to reverse trains. Recently retired Cllr George Derbyshire has regularly attended meetings with London Underground management and has pushed the case for these reversing trains to accept passengers at peak times.

This could be a cost effective way to retain a service for commuters in the Cassiobury area and for Watford Boys Grammar pupils who currently use the line to get to school.

I will keep Council informed of any further developments.

Watford Junction Rezone Campaign

I have written London Transport Committee Caroline Pidgeon to put forward the case for re-zoning Watford Junction Station in line with TfL's pricing structure.

Caroline has formally raised the matter as a written question to Mayor of London Sadiq Khan. Unfortunately the Mayor showed no interest in working with us to bring Watford Junction into the Zone system despite the significant benefits this would bring to many of his constituents in North and West London.

The extension of the Metropolitan Line will make Watford Junction an important interchange between the Metropolitan Line and the West Coast Main Line opening us new commuting options for residents who currently live on the Met Line route. It also provides residents on this route with an alternative to travelling via Zone 1 and Euston when travelling longer distances to Birmingham, the Midlands and the North.

I will continue to lead the campaign for the station to be rezoned as part of the Metropolitan Line Extension to encourage rail passenger growth and offer an affordable alternative to car use to cut congestion.

Council News

Green Flags

I was delighted that Watford was awarded eight Green Flags at this year's presentation ceremony in Rickmansworth. We now have the most Green Flag awards in Hertfordshire. The awards, given by Keep Britain Tidy for outstanding parks and open spaces were presented for the following parks:

- Callowland Rec
- Waterfields Rec
- St Mary's Churchyard
- Cheslyn Gardens
- Cassiobury Park
- North Watford Playing Fields
- Oxhey Park
- Woodside

These awards are testament to the successful partnership between Watford Borough Council and Veolia. My thanks go to all of our parks staff and dozens of volunteers who work tirelessly to maintain and improve our town's wonderful green spaces.

Traveller Incursions

Several incursions onto Council owned and privately owned land in Watford have occurred over the past 6 months, including three in Oxhey Park.

Ward Councillors have conducted a residents' survey to gauge support for erecting a barrier to prevent further incursions. Residents responded favourably to a metal railing being installed. The railing has now been ordered and I hope this will prevent further incursions on this site.

We have worked closely with the police and landowners to respond to traveller incursions onto private land in our borough quickly and effectively.

Investing in Watford's playgrounds

Cabinet was presented with plans to transform the Harebreaks and Harwoods Playgrounds with £1.4m of investment to rebuild the sites with new play equipment which would be unsupervised and open at all hours, compared with the restricted opening hours at the current supervised sites. Since this meeting a legal challenge has been made. Whilst the Council completely disagrees with a number of the claims made in the legal challenge to its decision to transform Watford's adventure playgrounds, Council officers have taken the view that it would be prudent to ask Cabinet to consider the matter afresh in October.

As before, Cabinet members will consider all the information that is presented to them very carefully before reaching their decision

Temporary Accommodation

Watford Borough Council and Watford Community Housing Trust are working in partnership to deliver additional housing at Croxley View. A planning application was submitted on the 15th September 2016 for phase 1, for 40 temporary accommodation units and 36 residential apartments.

Members of the public have the opportunity to comment on the proposal through the statutory planning process, up until Friday 21st October 2016.

A public meeting and drop-in session will take place on Wednesday 19th October at Holywell Community Centre.

The drop-in session will take place between 3.30pm - 6.00pm
The public meeting begins at 7.30pm

Housing is a top priority for this Council, as set out in our corporate plan. We take our duty to provide accommodation for homeless residents very seriously and I hope this scheme will allow us to house more residents in Watford and reduce out-of-borough placements.

PART A

Report to: Cabinet / Council
Date of meeting: 10 October 2016 / 11 October 2016
Report of: Head of Finance (shared services)
Title: Four-year funding settlement

1.0 SUMMARY

1.1 This report covers the decision on whether to accept the Government's offer of a four-year financial settlement and the requirement to publish an Efficiency Plan.

2.0 RECOMMENDATIONS

2.1 The Director of Finance recommends that the offer is accepted.

2.2 If Council accepts the Government's offer then they should also agree and approve the Efficiency Plan at Appendix 1 to allow the four-year settlement to be taken.

Contact Officer:

For further information on this report please contact:

Bob Watson, Head of Finance (shared services)

telephone extension: 7188

email: bob.watson@threerivers.gov.uk

Report approved by: Bob Watson, Head of Finance (shared services)

3.0 DETAILED PROPOSAL

3.1 As part of the Local Government Finance Settlement (LGFS) in February 2016, the Government published an indicative four-year settlement, with the settlement for 2016/17 confirmed and a provisional settlement for the three future periods 2017/18 to 2019/20. The Government indicated that it would honour these figures depending on individual local authorities agreeing to publish their Efficiency Plan. At the time of the settlement the full details behind this announcement were not available. In March 2016 the Government wrote to Local Authorities to confirm the requirements for an Efficiency Plan and the timescale for accepting the Government's offer, being 14 October 2016.

3.2 If the Council wishes to accept the Government's offer then it will need to provide an Efficiency Plan by 14th October 2016. The Efficiency Plan will need to be approved by Council – a proposed Efficiency Plan is attached at Appendix 1.

3.3 The Government offer is as follows:

'The relevant lines included with the financial settlement that are protected as part of this offer are;

- Revenue Support Grant
- Transitional Grant; and
- Rural Services Delivery Grant Allocations. [NB: does not apply to WBC]'

3.4 The Director of Finance recommends that the four-year settlement is the best option to follow because this provides an element of certainty and it is difficult to see any authorities who choose not to accept the offer benefiting as a result. It is highly likely that any further cuts to local government funding would fall on those authorities outside of the agreed settlement.

3.5 The table below shows the final settlement as published on 8 February 2016 for Watford Borough Council:

Final Settlement – Watford Borough Council

	2016/17	2017/18	2018/19	2019/20
RSG	£1,311,304	£565,196	£114,299	0
Transition Grant	£92,587	£92,242	0	0
Rural Services Grant	0	0	0	0

3.6 The Council has other funding streams outside of those listed above which are not covered by the offer, including Business Rates and Council Tax. These are therefore not included in this report.

4.0 **IMPLICATIONS**

4.1 **Financial**

4.1.1 The Shared Director of Finance comments that the recommendations in this report are within the Council's agreed policy. The current Medium Term Financial Strategy reflects the figures in the provisional settlement as the final figures were not confirmed until after the budget-setting Council meeting. The final figures will be included in the revised budget that is taken to Council in January 2017.

4.2 **Legal Issues** (Monitoring Officer)

4.2.1 The Head of Democracy and Governance comments that there are no legal implications in this report

4.3 **Equalities**

4.3.1 None

4.4 **Potential Risks**

None

Appendices

1 Watford Borough Council Efficiency Plan 2016-2020

Watford Borough Council Efficiency Plan 2016-2019

The current medium term financial plan is based on the settlement figures provided in the Local Government Finance Settlement in February this year. As such it identifies the use of reserves to offset the expenditure and income figures. This not sustainable and therefore the council has already instigated or is in the process of instigating the following efficiency programme measures:

<u>Efficiency measure</u>	<u>Cumulative revenue cost / (savings) (£'000)</u>			
	<u>2016/17</u>	<u>2017/18</u>	<u>2018/19</u>	<u>2019/20</u>
<i>Items already included in the Medium Term Financial Strategy</i>				
Service Reviews	0	150	300	300
Letting of Council accommodation	0	70	140	140
Planning performance income	60	100	140	140
Staffing reviews	210	367	522	522
Other efficiency savings	161	422	702	702
<i>Other Projects to be Considered</i>				
Established the Property Investment Board to rationalise and dispose of uneconomic property assets and reinvest to enhance rental returns	197	278	767	767
Development of service transformation programme	0	0	1,000	1,000

In addition the Council is investing in some major redevelopment and regeneration projects that will provide both a capital and revenue return over the medium to longer term. These projects include:

- Consideration of options to reduce temporary accommodation costs
- Watford Health Campus
- Watford Business Park
- Joint Venture with Watford Community Housing Trust

PART A

Report to: Council
Date of meeting: 11 October 2016
Report of: Committee and Scrutiny Officer
Title: Annual Report of Overview and Scrutiny in Watford Borough Council 2015/16

1.0 **Summary**

- 1.1 The Constitution requires that a report is presented to Council annually on the work of scrutiny during the preceding year.
- 1.2 This report introduces the Annual Report of Overview and Scrutiny in Watford Borough Council for 2015/16.

2.0 **Recommendations**

- 2.1 That Council notes the Annual Report of Overview and Scrutiny in Watford Borough Council 2015/16.

Contact Officer:

For further information on this report please contact: Sandra Hancock,
Committee and Scrutiny Officer
telephone extension: 8377 email: legalanddemocratic@watford.gov.uk

Report approved by: Jason McKenzie, Legal and Democratic Section Head

3.0 **Detailed Proposal**

- 3.1 The Annual Scrutiny Report refers to the scrutiny work carried out during 2015/16; it
- describes the work and process of the council's scrutiny work over the preceding year;
 - sets out facts regarding the structure and operation during 2015/16;
 - provides an indication of performance as measured by the scrutiny survey.
- 3.2 The main details are contained within the report, attached as Appendix 1.

4.0 Implications

4.1 Financial

4.1.1 The Shared Director of Finance comments that there are no financial implications.

4.2 Legal Issues (Monitoring Officer)

4.2.1 The Legal and Democratic Services Section Head comments that there are no legal implications in the report.

4.3 Potential Risks

Potential Risk
None identified from the report

4.4 Community Safety

4.4.1 The council has a statutory duty to scrutinise the local crime and disorder partnership. This is carried out by the Community Safety Partnership Task Group, which meets at least twice a year.

Appendices

Appendix 1 – Annual Report of Overview and Scrutiny in Watford Borough Council
2015/16

Background Papers

- Results of the 2015/16 scrutiny survey
- Reports and minutes from scrutiny committees and task groups

File Reference

None



Annual Report of Overview and Scrutiny in Watford Borough Council 2015/16

A report of the Committee and Scrutiny Officer

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1. Introduction and overview of 2015/16

In 2015/16 the scrutiny structure comprised Overview and Scrutiny Committee as the overarching committee, Budget Panel and Outsourced Services Scrutiny Panel. Community Safety Partnership Task Group continued to monitor the Community Safety Partnership. (See scrutiny structure on page 2.)

Task Groups which took place during 2015/16 were –

- Controlled Parking Zones Policies (review carried out during 2014/15; final report presented to Overview and Scrutiny Committee in 2015/16)
- Voluntary Sector Commissioning Framework (Community Centres)
- Management of Conservation Areas
- Neighbourhood Forums (agreed by Overview and Scrutiny Committee in 2015/16, but to be carried out during 2016/17)

The Annual Survey has been carried out and a summary of the results can be found in section 6 of this report.

The Committee and Scrutiny Officer continued to attend the Hertfordshire Scrutiny Network: a network of officers from the County Council, the ten district and borough councils, within Hertfordshire and neighbouring local authorities in Bedfordshire. The network provides an opportunity to share scrutiny related information and training across the councils. Further details are provided in section 7.5.

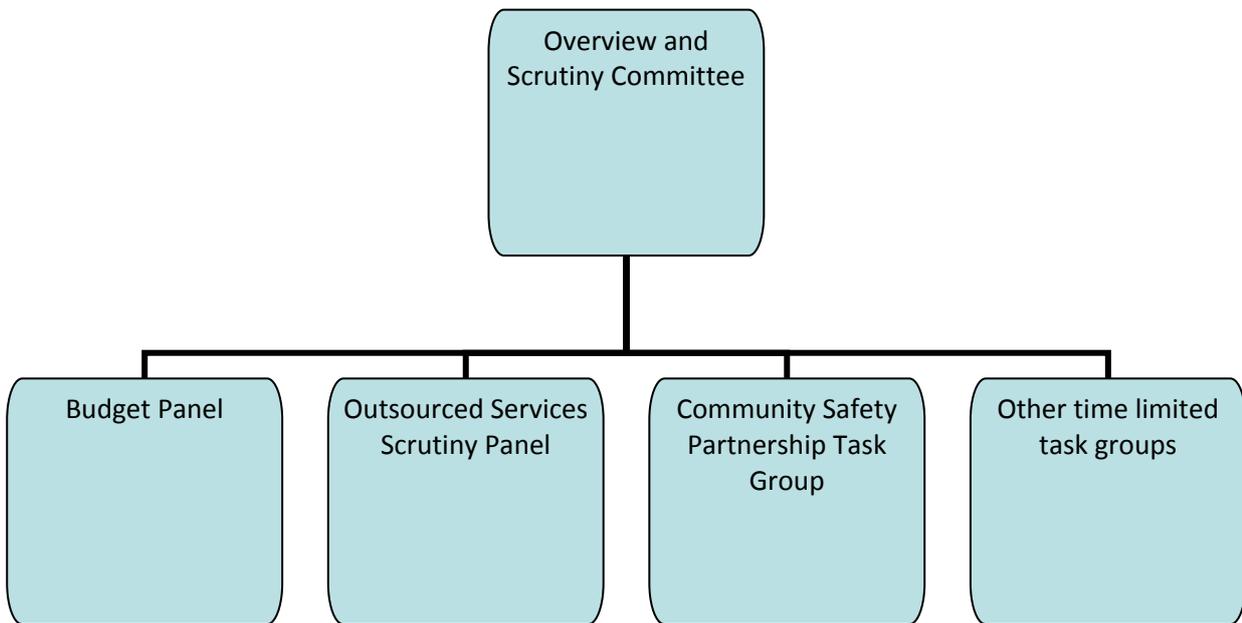
In 2015/16, 27 out of 36 councillors attended at least one scrutiny meeting; this was the same number as in 2014/15. 23 councillors participated in a scrutiny meeting as a member or a substitute. Two portfolio holders attended scrutiny meetings to respond to questions on behalf of the Executive. Two councillors attended meetings solely as observers and participated when permitted by the scrutiny committee or panel.

In 2015/16, Overview and Scrutiny Committee and Outsourced Services Scrutiny Committee held some meetings outside of the Town Hall, at venues relevant to an item on the agenda.

Overview and Scrutiny Committee held its January 2016 meeting at Watford Museum. One of the items related to the work of the museum and its performance. Prior to the meeting the scrutiny committee was given a guided tour of the museum by the Museum and Heritage Manager and the Museum Collections Officer and experienced the pop up tearoom. Later councillors were allowed to handle some of the newer acquisitions. Councillors and officers felt that this had worked very well and are keen to hold meetings outside the Town Hall when appropriate.

Outsourced Services Scrutiny Panel visited Watford Leisure Centre Woodside when reviewing the SLM contract. Councillors were given a tour of the facilities, enabling them to see the facilities in use. Following the tour the scrutiny panel's meeting was held in one of the meeting rooms at the leisure centre.

Scrutiny structure 2015/16



2. Overview and Scrutiny Committee

Membership:

Councillor Karen Collett (Chair)

Councillor Jagtar Singh Dhindsa (Vice Chair)

Councillors Keith Crout, Kareen Hastrick, Anne Joynes, Asif Khan, Anne Rindl, Linda Topping and Darren Walford

The following Councillors also participated in Overview and Scrutiny Committee during the year: Councillors Nigel Bell (substitute), Mark Hofman (substitute), Rabi Martins (substitute and Chair of Management of Conservation Areas Task Group), Sean Silver (substitute), Seamus Williams (substitute and Chair of Community Safety Partnership Task Group) and Tim Williams (substitute)

The following Portfolio Holder attended Overview and Scrutiny Committee during the year: Councillor Stephen Johnson (Portfolio Holder for Housing)

2.1 The Committee's work programme for 2015/16

Overview and Scrutiny Committee met on six occasions this year. The scrutiny committee received reports on the following subjects –

- **Outstanding actions and questions** continued to be included as a regular report to the scrutiny committee. The report included all the actions and questions which had been raised at previous meetings. The actions and questions remained on the report until Overview and Scrutiny Committee was satisfied with the response and it was agreed the actions had been completed.
- **Performance updates** were presented on a quarterly basis. The scrutiny committee reviewed the performance of the Key Performance Indicators and other performance measures identified for review. At the meetings councillors discussed the performance indicators and sought clarification in certain areas. Councillors regularly discussed the housing related indicators and in July received a presentation from Head of Community and Customer Services and Interim Housing Section Head (further information is shown below).
- A **Housing update** was given to the scrutiny committee following councillors' concerns about the under performance of the indicators linked to housing and temporary accommodation. The Head of Community and Customer Services and Interim Housing Section Head provided a report to the scrutiny committee which set out information on the various aspects of the Housing service, including temporary accommodation, homeless demand, private sector rents and housing benefit and rough sleeping. The officers also included comparisons with other boroughs and districts within Hertfordshire. The scrutiny committee had a thorough discussion.
- **Corporate Complaints and Comments** were presented to the scrutiny committee in November. Councillors were given an overview of the council's management and performance in responding to complaints and comments about council services. They were advised that any complaints about outsourced services should be made directly

to the provider of the service. At the request of the scrutiny committee the Committee and Scrutiny Officer referred the matter of managing complaints about outsourced services to Outsourced Services Scrutiny Panel, which would be able to investigate procedures during its reviews of the service providers.

- **The Big Events Series** was discussed at the January meeting held at Watford Museum. The Culture and Play Section Head provided the councillors with an overview of the Big Events Series, including the lessons learnt from previous years and how these influenced year two. Councillors had a thorough discussion which included funding, sponsorship and value for money, which also included social value to the local community.
- **Watford Museum Service and Heritage Lottery Fund Project** were also discussed in January. The scrutiny committee was given a tour of the museum prior to the meeting. The Museum and Heritage Manager provided information about the museum building and its contents. She also spoke of the staffing arrangements and the volunteers. She provided information on the performance indicators which were monitored in relation to the museum. The Museum and Heritage Manager explained about the Heritage Lottery Fund Project, called 'Re-engaging with Watford's past'. She showed councillors the initial designs for the building which were mindful of the building's listed status. Discussions included reference to the museum linking to the school curriculum and council funding towards the development project. Councillors were given an opportunity to see some recent acquisitions to the museum's collection, which had been acquired at no cost to the service.
- **Executive Decision Progress report** was included as a regular item on the agenda following its introduction in 2011/12. The report included details of all proposed decisions and those decisions taken by the Executive and officers. It also included details of any consultation with the Chair of Overview and Scrutiny Committee. The Chair is consulted about any decisions which have not met the 28 day deadline or which need to be dealt with under the urgency procedures. The report enables the Scrutiny Committee to consider whether the key decision procedure has been followed correctly and, if not, whether a report needs to be submitted to Council. The scrutiny committee was provided with links to the relevant Cabinet reports and minutes as requested.
- **Hertfordshire County Council's Health Scrutiny Committee** continued to be included as a regular item on the agenda. The council's appointed representative for 2015/16, Councillor Kareen Hastrick, provided the scrutiny committee with an overview of the work carried out by the Health Scrutiny Committee. Full details of the Health Scrutiny Committee are available on the [County Council's website](#).
- **Updates from Budget Panel, Outsourced Services Scrutiny Panel and Community Safety Partnership Task Group** were provided by the relevant chairs, either in person or in writing. The updates enable Overview and Scrutiny Committee to be aware of the work being undertaken by the other scrutiny panels and task groups.

- **Task Groups –**

Controlled Parking Zones Policies was set up in 2014/15 and completed its work that year. In 2015/16 the final report was presented to Overview and Scrutiny Committee. Following a question from Councillor Silver it was agreed to amend one of the recommendations which was accepted by the relevant officers.

Voluntary Sector Commissioning Framework (Community Centres) was approved in 2014/15 and completed its review during 2015/16. Regular updates were provided to the scrutiny committee and the final report was presented in July.

Management of Conservation Areas was agreed as a new task group in 2015/16. The task group carried out a thorough review. The Chair provided a regular update on the task group's progress. The final report was presented to the scrutiny committee and Cabinet.

Neighbourhood Forums was approved as a new task group at the last meeting. The review would commence following the local elections in May 2016.

Further information about the Task Groups can be found in Section 5.

- **Review of previous reports**, during the year the Scrutiny Committee received responses from Cabinet and checked the progress of recommendations from a previous review. The review carried out in 2015/16 was –

Controlled Parking Zones

2.2 Call-in

No Executive decisions were called in during 2015/16. The reports and minutes for Overview and Scrutiny Committee can be found on the council's website – [Overview and Scrutiny Committee](#)

2.3 Chair's commentary

This is my final report as Chair of Overview and Scrutiny and I want to begin by thanking all the officers I have worked with, in particular Sandra Hancock who has been incredibly supportive over my past 4 years in this post. In addition, my huge thanks to Kathryn Robson our Partnerships and Performance Section Head who provided us with key performance indicators each quarter and detailed answers to our questions. Lastly, my thanks to the whole committee for their enthusiasm, dedication and support, task group members, Chairs and our Vice Chair Jagtar Dhindsa.

One of the things I am most proud of is involving the public more in decision making and this year we repeated the exercise of inviting residents into the Town Hall to discuss and review the effectiveness of the Watford Conservation areas, the turnout was excellent. Furthermore, to reach more people we took the decision to advertise by way of an online

survey; as well as door knocking talking directly to those who live in those areas. In addition, earlier in the year another task group was set up to look at the Voluntary Sector Commissioning Framework (Community Centres). Our recommendations highlighted the need for more advertising and to look at the demographic of need within the communities. What was clear from our point of view was discovering that our Centres do provide a wide range of activities, advice and support for the residents of Watford.

Can I make a request of all councillors to take part in the Scrutiny survey that Sandra sends out once a year. Your input and ideas are important in order for the process to improve and change its practices to reflect and suit the current day. Thank you.

Finally, I want to wish the new Overview and Scrutiny Committee all the best for the coming year and wish Cllr Kareen Hastrick well in her new role as Chair. It is important for us all to remember that Scrutiny is an essential part of ensuring that local government remains effective and accountable to monitor service delivery, performance and review policies and practices and above all remain a critical friend.

Councillor Karen Collett
Chair Overview and Scrutiny Committee 2015/16

3. Budget Panel

Membership

Councillor Asif Khan (Chair)

Councillor Anne Joynes (Vice Chair)

Councillors Shirena Counter, George Derbyshire, Mark Hofman, Rabi Martins, Tim Williams, Nigel Bell and Mark Whitman

The following councillors also participated on the panel during the year: Councillors Karen Collett (as a substitute) and Anne Rindl (as a substitute).

The following Portfolio Holder attended Budget Panel meetings during the year: Councillor Mark Watkin (Portfolio Holder for Shared Services and Democracy and Governance)

3.1 Budget Panel's work programme for 2015/16

The panel met on six occasions during the year and considered the following:

- **The final outturn for 2014/15** prior to it being presented to Cabinet. Members considered a number of areas in more depth: the council's underspend for the year, proposed carry forwards, capital programme, ICT budget provision, capital projects programme and issues surrounding the growing problem of homelessness in the borough. Budget Panel's recommendations to Cabinet were agreed.
- **Entrepreneurship.** The Chair led the panel in a constructive discussion about how the council might respond positively and creatively to the reduction in central government funding. Acknowledging that Watford Borough Council had been far-sighted and innovative in recent years, the panel concluded the need for a flexible and varied approach, drawing on innovative policies and best practice in other councils.
- **The Finance Digest Budget Monitor** was reviewed regularly by the Budget Panel. Members monitored the expenditure, income and pressures on services.
- **Outstanding debt** was examined by the panel with the Head of Revenue and Benefits. He outlined the comprehensive toolbox of options available to the council and the success that had been made in recent years to reduce outstanding debt levels.
- **Increases in bed and breakfast costs** were monitored by the panel. It was noted that additional provision had been made in the 2015/16 budget to meet the rising demand for temporary accommodation.
- **Fees and charges 2016/17.** The draft report was reviewed by the panel at its January meeting. Members discussed in detail proposals to increase burial fees for Watford residents and commercial hire rates at Cheslyn Gardens. The panel recommended that

Cabinet note its concerns about the steep rise in burial fees and the potential impact of this increase on Watford residents.

- **Draft Revenue and Capital Estimates 2016/19 and Treasury Management Strategy 2016/19** were considered by Budget Panel at its meeting in January, prior to discussions at Cabinet and Council. The panel reviewed the report in depth, seeking clarification on a number of points from Heads of Service. The minutes of the discussion were forwarded to Cabinet.

3.2 Training

Training was provided in September to give members an overview of Local Government Finance, including how the council was funded.

The reports and minutes for Budget Panel are available on the council's website – [Budget Panel](#)

4. **Outsourced Services Scrutiny Panel 2015/16**

Membership

Councillor Keith Crout (Chair)

Councillor Shirena Counter (Vice Chair)

Councillors Jagtar Singh Dhindsa, Anne Joynes, Rabi Martins, Sean Silver and Seamus Williams

The following councillors also participated on the panel during the year: Councillors Karen Collett (substitute and observer) and Anne Rindl (substitute).

The following Portfolio Holder attended Outsourced Services Scrutiny Panel during the year: Councillor Stephen Johnson (Portfolio Holder for Housing – including Private Sector Housing).

The remit of the Outsourced Services Scrutiny Panel is to scrutinise services which have been externalised or which are shared with Three Rivers District Council; and to regularly monitor the performance of these services. It is politically balanced and reports to the Overview and Scrutiny Committee.

4.1 **Work programme**

The panel met on six occasions and considered the following topics:

1. ICT Contract

At the September meeting, the panel received a report of the Managing Director setting out the decision to terminate the Capita IT outsourced contract. He responded to members' questions in relation to the report. The public and press were excluded from this item under the provisions of Section 100(4) of the Local Government Act 1972; as exempt information would be disclosed.

2. Quarterly performance indicators

The panel received quarterly performance reports (at the July, September, November and February meetings) provided by the Partnerships and Performance Section Head. These related to a significant number of key performance indicators for the services that had been outsourced to external providers and those shared with Three Rivers District Council.

Indicators relating to the shared Finance Service were monitored by the Budget Panel as part of the Finance Digest.

The panel continued to use its in-depth review of services to raise questions and actions on performance and to suggest new indicators for monitoring.

3. Hostels and Temporary Accommodation

Officers attended the meeting in September to update members on the Hostel Management Contract let to the Watford Community Housing Trust (WCHT) in April 2013. This was a five year contract, with the ability to extend by a further two years, and was proving successful (after some initial poor performance levels). The contract

was managed tightly - with regular meetings between the housing team and representatives from WCHT.

Members raised issues around the time taken to carry out repairs; and the portfolio holder and officers explained the categories of repairs and how improvements had been made to procedures. Matters around anti-social behaviour at certain premises were also discussed.

4. Contract with HQ Theatres

The council's 10 year contract with HQ Theatres, to operate the Watford Colosseum Theatre, was awarded in 2009. The Colosseum re-opened in 2011 following a £5.5 million refurbishment and extension programme. It is the home to the BBC Concert Orchestra.

Following a tour of the venue by the panel immediately prior to the October meeting, members had the opportunity to pose questions to representatives from HQ Theatres and the council's Contract Management Team. They asked about the appropriateness and effectiveness of certain key performance indicators, about apprenticeship wages and the competition to make use of the venue.

The representatives from HQ Theatres provided information on the commercial and non-commercial rates for community hires, about parking issues, in relation to methodologies to target certain audiences and how well the sector was performing despite the recent economic downturn. A proposal for further improvements would be brought to the council early in 2016.

5. Contract with SLM – Operation of the Leisure Centres

The January meeting of the panel was held at the Woodside Leisure Centre following a tour of the facility by members. This provided a useful backdrop prior to the SLM contract being discussed with officers and with representatives from the company. Members had received reports on the key performance indicators for the centres, the activities provided, an overview of staff numbers and membership and the SLM complaints procedures.

The 10 year leisure centre management contract was awarded to Sports and Leisure Management (SLM) to operate Watford Central and Woodside Leisure Centres in June 2008.

During the meeting, councillors asked a wide range of questions of the officers and representatives including in relation to: competitive pricing and comparisons with budget gyms, why membership of the leisure centres was increasing, advertising the facilities, how complaints about cleanliness/cleaning were managed, women only swimming sessions, staffing levels and safety, healthy food options in cafeterias and use of a climbing wall.

Members were particularly interested to learn how younger people were encouraged to participate in sports activities.

6. Parking Services Annual Report

Officers introduced the report to the panel at the February meeting. The document had been revised this year to ensure that the most salient information was easier to extract. Members felt the new lay out was impressive and a considerable improvement.

In response to questions from councillors, officers provided information on Controlled Parking Zones (including how locations for these were determined), the review of short stay parking in St Albans Road, the potential stimulus for parking controls emanating from the Croxley Rail Link, a range of matters in relation to parking enforcement (explaining the reasons for an increase in penalty charges issued) and subjects with regard to Blue Badge holders.

The reports and minutes for Outsourced Services Scrutiny Panel can be found on the council's website – [Outsourced Services Scrutiny Panel](#).

4.2 Chair's Commentary

During the year we looked in detail at a number of the council's outsourced services and how these were being managed. Despite the amount of work that had gone into sorting the difficulties with Capita and the ITC contract it was sad to hear that this was now being terminated.

On a positive note we had two memorable visits - one to the Colosseum to look at the HQ theatres contract and one to the Leisure Centre to look at the SLM contract. Both visits were interesting and led to a lot of inquisitiveness and probing from members. It was good to see that both contracts were running well despite market difficulties.

We enjoyed full participation from members of the committee throughout the year and once again we got excellent support from the officers involved for which we were all grateful.

Councillor Keith Crout
Chair of the Outsourced Services Scrutiny Panel (2015/16)

5. Task Groups

5.1 Community Safety Partnership Task Group

Membership

Councillor Seamus Williams (Chair)

Councillors Sohail Bashir, Stephen Bolton, Rabi Martins, Binita Mehta and Mo Mills

The following councillors also participated on the task group during the year: Councillors Karen Collett and Jagtar Singh Dhindsa (substitutes).

The Community Safety Partnership Task Group is a statutory group which is established each year to scrutinise the work of the Community Safety Partnership (CSP).

Work Programme

The task group met on three occasions and arranged an all-member briefing, conducted by the Community Safety Partnership Co-ordinator, relating to anti-social behaviour end of year data, child exploitation and the 'Prevent' agenda.

The following topics were considered at meetings:

1. Review of Performance – CSP Action Plan 2015/16

At the September meeting, the Watford Police Safer Neighbourhoods Inspector provided information on overall crime levels (an increase of 4%) and specifically in relation to offences of burglary (dwelling), theft from motor vehicles, violent crime against the person and criminal damage and the activities undertaken to tackle these matters. He also outlined the steps being taken to progress the local policing priorities of combating anti-social behaviour and criminal damage, dealing with road safety concerns and protecting vulnerable people.

Members asked questions about the use of stop and search powers by police, the training of registered door staff, the training of police officers on diversity issues, concerns about the closure of the Watford Police Station custody suite and the Watford Safer Streets campaign.

2. Review of the Community Safety Partnership's Communications Plan

Also, at the September meeting, the Task Group received a presentation on the CSP's Communications Plan outlining the Safer Watford Communications Strategy and the associated objectives. Information was provided on the communication audiences, how key messages would be delivered, the launch campaign, complementary communications, the next steps and evaluation.

Officers responded to questions about the success of the campaign's launch video, the delivery of crime prevention messages, the use of the Watford Town magazine, advertising local events (including how to stay safe) and publicity around the promotion of Watford Football Club to the Premiership.

3. Watford Pubwatch

In January, the Chair of the Watford Pubwatch and a licensed premises door supervisor attended the task group. They explained that the festive season had gone very well with no difficulty experienced in the town - and outlined the 'vulnerability training' that was being rolled out bar by bar across Watford to help improve safety. There was excellent communication between Pubwatch and the WBC Licensing Team (with monthly meetings held) and liaison with the police Town Centre Team was very good. They discussed issues around usage of the extensive CCTV in the town and the operation of the CCTV control room.

Members talked about the frequency of Pubwatch meetings and raised issues around the operation of the Scan Net system, how Pubwatch worked with the local community, the impact on licensed premises of Watford Football Club's promotion, the potential for an increase in door supervisor numbers and the safe operation of taxis.

4. Hertfordshire Fire and Rescue

Also, in January, the Task Group received a presentation on how Hertfordshire Fire and Rescue worked with young people and local communities. With regard to young people the presentation included information on: The Life Project, working with the Prince's Trust, The Fire Cadets, the Duke of Edinburgh Award Scheme, Box Cleve, local youth groups and local schools, Youth Connexions, fire station open days, work experience and the West Herts College. In relation to community engagement the presentation included information on: Watford Safer Streets, private landlords, temporary accommodation/accommodation above shops, Beds in Sheds, Safe Start Young Parents, Side by Side, Caring Together, Mencap and Driving Home for Christmas.

Members were extremely impressed by the number and range of initiatives. They asked questions about funding issues, the assistance provided by the fire service to vulnerable elderly groups, work with resident's associations and the impact of changes to legislation in relation to private landlords.

5. Overview of Annual Performance in relation to the CSP Plan 2015/18

At the March meeting, the task group received presentations from the Watford Police Safer Neighbourhoods Inspector and the WBC Community Safety Coordinator. Crime levels in Watford had increased by 10.7% (although levels of burglary had reduced) – this, a smaller increase than across Hertfordshire Constabulary as a whole. The Watford detection rate was also higher than across the force. An increase in criminal damage had a link to matters relating to anti-social behaviour and information was provided as to how the issue was being addressed. Levels of the reporting of domestic abuse had risen - this, in part, due to the enhanced victim support that was now available. A dedicated team at Hatfield Police Station dealt with these cases.

Violence against the person (VAP) had increased - although, not entirely due to the night time economy. Issues faced at Watford General hospital and the rise in houses in multiple occupation (HMO's) had had an impact; but the vast majority of the recorded incidents were the least serious forms of assault. In the future, VAP would no longer be reported to One Watford – the focus of the Safer Neighbourhood team would be

the CSP Protection Plan (although an update could be provided to the Task Group at a future meeting).

Members expressed concern about the increased crime levels and stressed the importance of identifying the causes. The police put context to the figures and provided reassurance about ongoing crime prevention and enforcement measures being undertaken. The Head of Community and Customer Services was conducting work around the HMO issues and would report back to the task group at its first meeting in the new municipal year when consideration could be given as to whether a further task group would be beneficial.

6. Update on proposed CSP Priorities for 2016/17

Also, at the March meeting, the Community Safety Co-ordinator advised the task group that there had been a near 5% reduction in anti-social behaviour in Watford this year. Watford was no longer regarded as the number one anti-social behaviour hotspot in the county – rather an area of best practice. The success was attributed to the positive impact of the Scan Net system and the partnership working of the community protection group.

The drivers for anti-social behaviour were highlighted to the task group; with neighbourhood disputes (often with a mental health link) now more predominant in the town. The task group was advised how mental health services were involved in resolution methods.

The focus for 2016/17 would be ‘Knowing our Communities’ – with uncertainty at present as to why there were few reports of anti-social behaviour in emerging communities. The police advised the task group that work to be undertaken in examining the issue could result in an increase in the reporting of cases by these communities.

5.2 Voluntary Sector Commissioning Framework (Community Centres) Task Group

Membership:

Councillor Rabi Martins (Chair)

Councillors Karen Collett, Kareen Hastrick, Anne Joynes and Binita Mehta

The following councillors also attended the task group: Councillors Jackie Connal, Tony Rogers, Linda Topping and Seamus Williams

The task group was agreed by Overview and Scrutiny Committee at its meeting on 5 March 2016, following a request submitted by the Corporate Leisure and Community Section Head. The task group met on two occasions in May 2015. It had been set up to review the community centres within the Borough, which was part of a larger examination of the Commissioning Framework being carried out by officers. The task group made 10 recommendations. The final report was presented to Overview and Scrutiny Committee at its meeting on 20 July 2015, prior to the recommendations being included as part of the officer’s report to Cabinet in September regarding the complete Commissioning Framework.

Cabinet agreed the new Commissioning Framework which would be implemented from April 2016.

5.3 Management of Conservation Areas Task Group

Membership:

Councillor Rabi Martins (Chair)

Councillors Karen Collett, Mike Haley, Anne Joynes and Linda Topping

The task group was agreed by Overview and Scrutiny Committee at its meeting on 20 July 2015, following a suggestion proposed by Councillor Martins. The aim was to review the town's conservation areas, with particular reference to the effectiveness of the Watford Conservation Area Management Plan.

The Task Group met on four occasions, with the first meeting taking place in November. The final report was produced in February 2016 and presented to Cabinet at its meeting on 7 March 2016. Cabinet's response was then reviewed by Overview and Scrutiny Committee at its meeting on 16 June 2016.

The task group's work included a drop in session at the Town Hall, a door to door canvass carried out by the task group and separate online surveys for the public and councillors. The public survey was promoted through the council's website, social media and the Mayor's newsletter. This resulted in 139 responses; only 12 of which were completed at the drop in session or by door to door canvassing. The success of the online survey, with the promotion through social media, is something officers are keen to carry out again for future reviews, where appropriate.

5.4 Neighbourhood Forums Task Group

This task group was agreed by Overview and Scrutiny Committee at the last meeting of the municipal year. The scrutiny committee agreed that the new task group could be started after the local government elections held in May 2016. Further information will be included in the 2016/17 annual scrutiny report.

The reports and minutes of all scrutiny meetings and completed Task Groups are available on the Council's website -

<http://watford.moderngov.co.uk/mgCalendarMonthView.aspx?GL=1&bcr=1>

Task Groups' final reports are available in the online [Library](#).

For further information please contact the Committee and Scrutiny Officer.

6. 2015/16 Scrutiny Survey Results

An annual scrutiny survey is carried out and councillors and those officers who have been involved with scrutiny during the preceding year are asked to participate. This year a survey was not sent to any organisations or individuals outside the council, as there had been very few who had been asked to attend as guests or witnesses.

6.1 Councillors' survey

Of the 37 councillors (including the Mayor) in Watford Borough Council, 16 have completed the survey; this is an increase of six responses compared to the 2014/15 results. Eight out of the 25 councillors who were permanent or substitute members of a scrutiny committee or task group during 2015/16 completed the survey. The results of the 2015/16 survey showed that:

- 8 had been a member of scrutiny or task group
- 1 had been a member of scrutiny or task group but not in 2015/16
- 5 had never been a member of scrutiny or a task group
- 2 were Executive councillors

Two respondents were new councillors, elected in May 2016 and two were no longer councillors following the local government elections. One respondent stated that they had no time or had other commitments to be involved with scrutiny during 2015/16. The majority of the scrutiny members all stated that they were 'very likely' to take part in scrutiny during 2016/17; the others stated that it was unlikely/definitely that they would not take part as they were no longer councillors. All scrutiny councillors confirmed that they had understood their role.

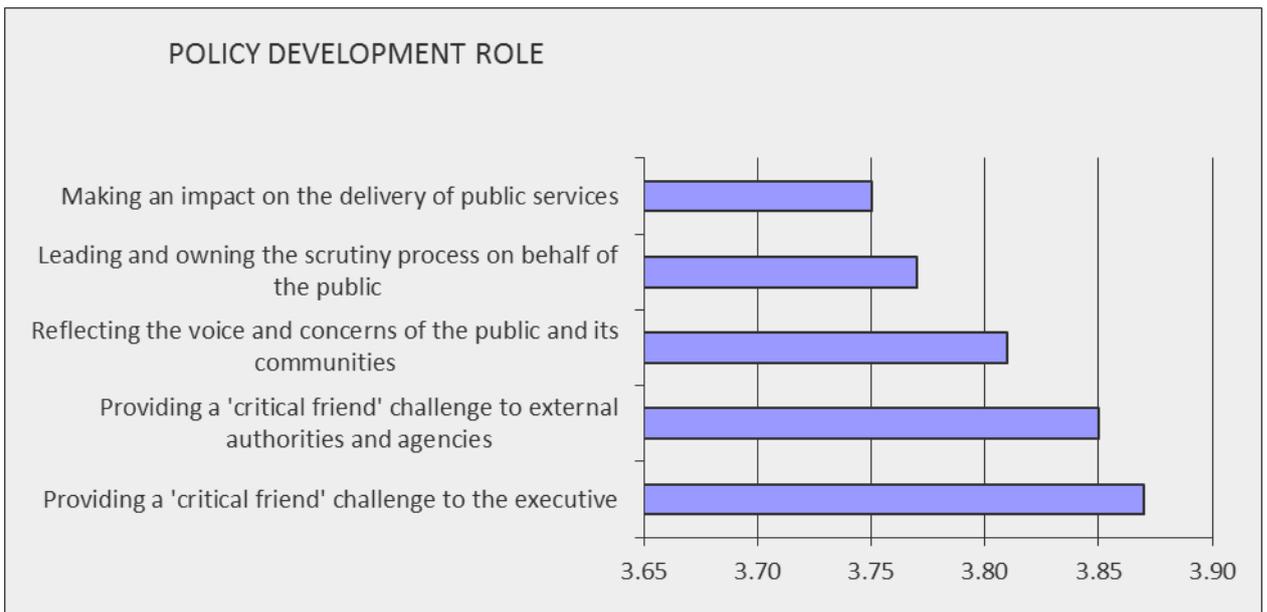
Members were asked to rate how effective they felt different aspects of the scrutiny work were in the five key areas identified by the Centre for Public Scrutiny.

- Making an impact on the delivery of public services
- Leading and owning the scrutiny process on behalf of the public
- Reflecting the voice and concerns of the public and its communities
- Providing a 'critical friend' challenge to external authorities and agencies
- Providing a 'critical friend' challenge to the executive

15 of the respondents completed the questions about scrutiny's roles in policy development and performance management; 13 responded to questions about scrutiny's role in budget and finance and 12 responded to questions about task groups. The scores were out of 5 with 1 being the lowest and 5 being the highest. All the aspects of scrutiny work received a rating average of 3.46 or higher. This showed a small decrease of 0.29 when compared to the 2014/15 survey results. The individual scrutiny areas are explored further in the following graphs.

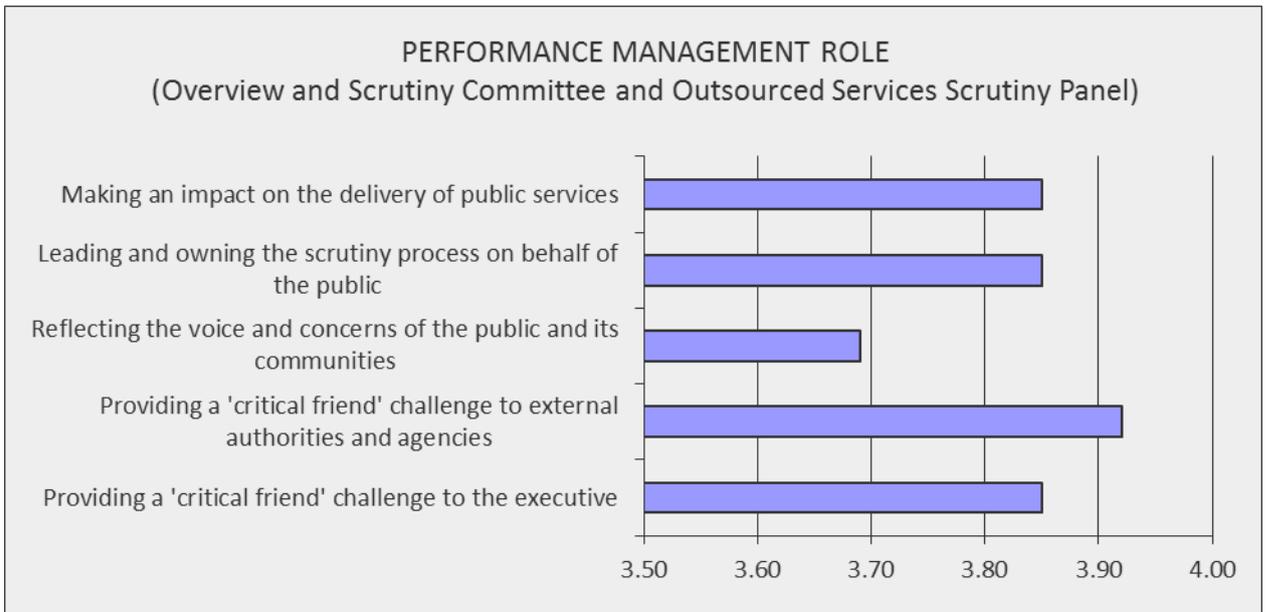
The first graph below shows the average rating for each aspect for the **Policy Development** role of scrutiny. The lowest rating average was 3.75 and the highest was 3.87. This shows an overall reduction in effectiveness on the 2014/15 results, which were 4.33 and 4.5 respectively. Individual scores ranged from 2 to 5.

12 of the respondents considered scrutiny had done a good job in this area. One person felt that it had not done a good job and felt that newer councillors or 'backbenchers' were kept in check by the Executive. They added that all councillors needed to undergo training, particularly as more services were outsourced.



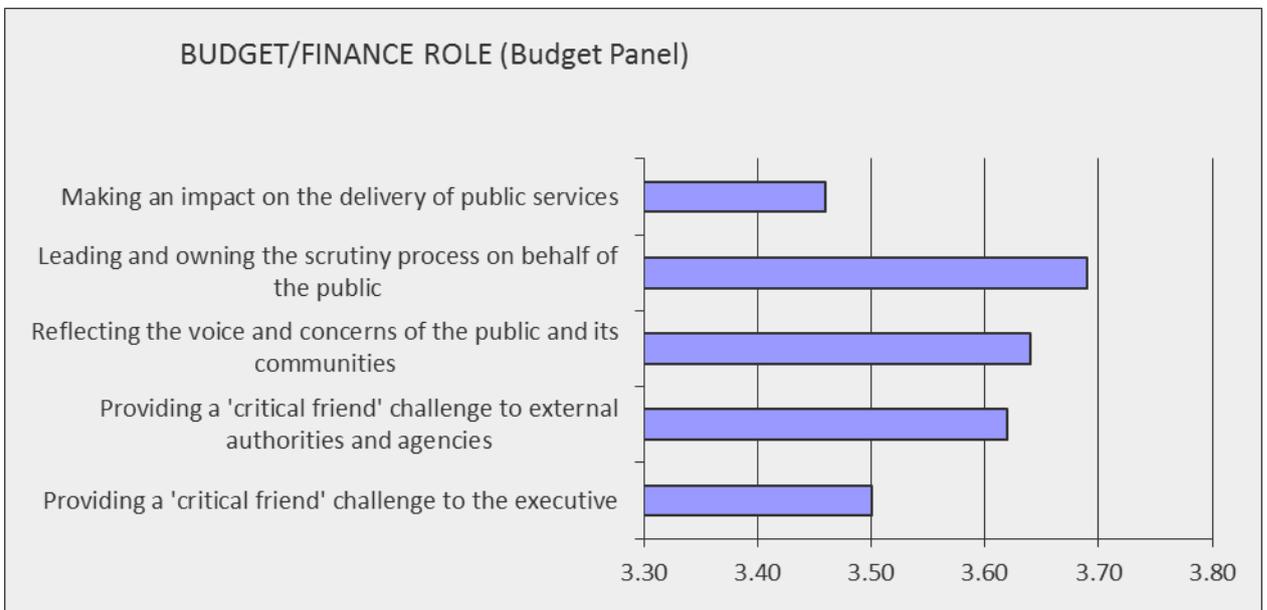
The second graph shows the average rating for each aspect for the **Performance Management** role of scrutiny. The lowest rating average was 3.69 and the highest was 3.92. This shows an overall reduction in effectiveness on the 2014/15 results, which were 4.22 and 4.56 respectively. Individual scores ranged from 2 to 5.

12 out of the 16 respondents to this question thought that scrutiny had done a good job in its performance management role. Three respondents did not know and the other respondent considered scrutiny had not done a good job, but did not provide any feedback.



The third graph shows the average rating for each aspect for the **Budget and Finance** role of scrutiny. The lowest rating average was 3.46 and the highest was 3.69. This shows an overall reduction in effectiveness in this area of scrutiny when compared to the 2014/15 results, which were 3.75 and 4.11. However it is an increase when compared to the 2013/14 results which were 2.92 and 3.33 respectively. Individual scores ranged from 2 to 5.

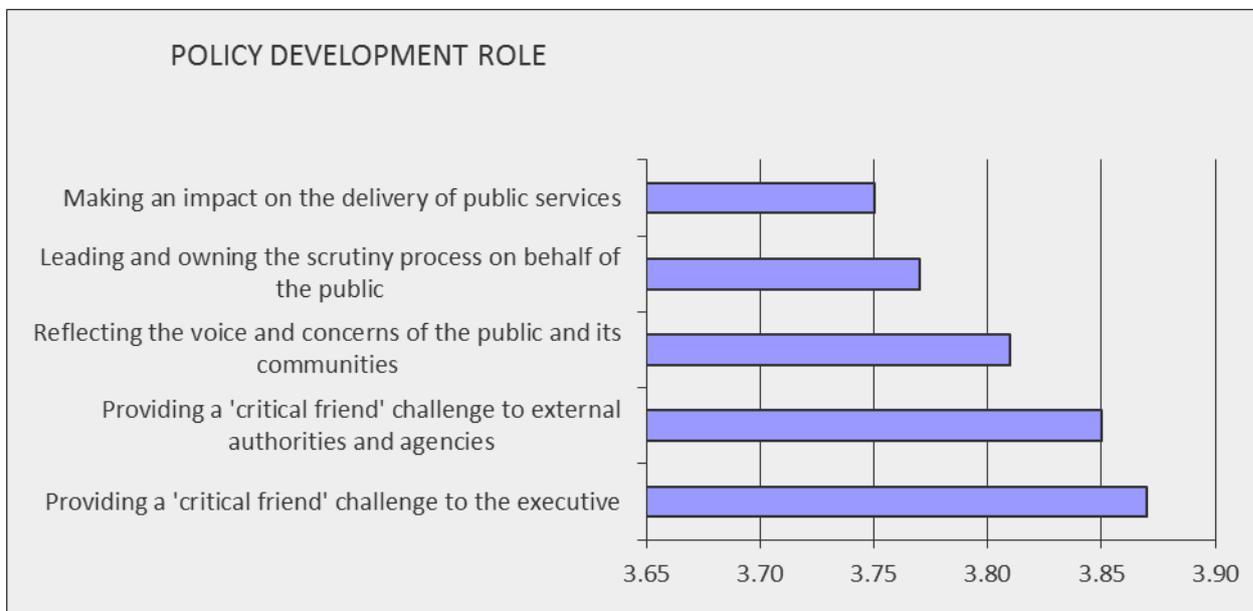
Nine out of the 13 respondents, who answered this question, agreed that scrutiny had done a good job in its budget and finance roles. The other four respondents answered that they did not know. No further feedback was given.



The final graph shows the average rating for each aspect for **Task Groups**. The lowest rating average was 3.77 and the highest was 4.08. This shows an overall reduction in effectiveness when compared to the 2014/15 results, which were 4.22 and 4.67 respectively. The results

were also lower than the 2013/14 results. Individual scores ranged from 2 to 5; however, the majority of responses for each section were rated as 3 or 4.

10 of the 12 respondents to this question thought that task groups had done a good job during the year. The other two replied that they did not know and commented that they had not been a member of a task group in 2015/16.



One respondent confirmed that they had proposed a scrutiny topic, which had then been taken forward. They agreed that the form had been easy to use and had no suggestions for any changes. They commented that they had been partially satisfied with the outcome and explained that they felt the review needed to be continued during 2016/17.

Councillors were asked for their views about how scrutiny could be improved in the future. There were five responses in total. One respondent said that they had no suggestions and a second had no suggestions as they said “it works - why change something that is working well”. Shown below are the other comments received. Democratic Services’ responses are shown in italics.

- “I think members of the Budget Panel should be provided with a copy of the Budget Book for the financial year.”

The Committee and Scrutiny Officer will contact the Head of Finance (Shared Services) to ask whether this suggestion is possible. If it is agreed, the Committee and Scrutiny Officer will ensure it is provided to all councillors who are appointed to Budget Panel.

- “That the Vice Chair attends meetings with the Chair beforehand – this is important as meeting with an officer can help with engagement.”

Democratic Services generally invite Vice Chairs to briefings with the Chair, where these are arranged. The Committee and Scrutiny Officer will ensure that, with immediate effect, the Committee and Scrutiny Team will invite both the Chair and Vice Chairs to

briefings for Overview and Scrutiny Committee, Outsourced Services Scrutiny Panel and Budget Panel, as briefings are arranged. This will not apply to task groups as they do not have Vice Chairs appointed to them.

- “Members of the ruling party need to be more critical in scrutiny.”

The Committee and Scrutiny Officer comments that this is a matter for the political groups. However, when training is carried out she will ensure that councillors are reminded that scrutiny should be holding the Executive to account and being a ‘critical friend’. As set out in legislation and guidance, scrutiny is independent of the Executive.

6.2 Officers’ survey

This survey, similar to the councillors’ survey, was completed by eight officers, all of whom had been involved with scrutiny during 2015/16. The survey showed that six of the officers felt that they understood their role and another said ‘partially’.

Four officers stated that they had been appropriately briefed by the Committee and Scrutiny Team and three said ‘partially’. Additional comments suggested that information about the set-up, format and which councillors were attending would have been helpful. The Committee and Scrutiny Team will ensure that all officers due to attend a scrutiny committee or panel are met and provided with information about the scrutiny committee, panel or task group. Another concern was that the task group was about one specific area of a service, but during the review it felt the whole service or other parts of a service were also under scrutiny. The Committee and Scrutiny Team will speak to chairs to ensure that scrutiny keeps to the subject under review and not to expand beyond the original remit. However, it is noted that there may be times when it may be necessary to look at a service as a whole to enable councillors to understand where the section under review fits within the department.

The majority of officers had responded that they had felt the demands on them or their service had been manageable. However two people said that it had been demanding. Officers were not asked for additional comments in relation to this question.

Officers were asked whether they considered scrutiny had been an effective ‘critical friend’ to their service. Budget and finance was the only part of scrutiny to receive no positive responses. However, it is noted that no officers from Finance completed the survey. The individual responses indicate that budgets were not relevant to the discussions at the scrutiny attended by these officers. There were some negative responses this year for policy development (1 person), performance management (4), budget/finance (2 as above) and task groups (1). The Committee and Scrutiny Team will review the comments and identify any areas for improvement.

In 2015/16 two officers had proposed a scrutiny topic. Both suggestions were taken forward to a task group and they were satisfied with the outcomes.

The comments for the Voluntary Sector Commissioning Framework (Community Centres) Task Group were generally positive. The councillors’ input was welcomed and it was

considered that the organisations within the framework should be subject to scrutiny, as they were being grant funded.

One comment was received about the Management of Conservation Areas Task Group. The respondent felt that the findings were very limited. Also the process had been demanding for one person when there had been other resource pressures.

One scrutiny suggestion was received for a future review. This was regarding contract management and whether the council set up was right and if it was effectively monitoring the right areas. It also suggested that it could be considered whether there were any improvements that could be made. Unfortunately there is no indication as to who had submitted this suggestion, therefore the Committee and Scrutiny Officer will contact the Head of Corporate Strategy and Client Services and discuss the suggestion with her.

When asked how scrutiny could be improved officers made the following comments (responses are shown in italics):

- “Increased benchmarking of KPI’s HCC or sub regional”

The Committee and Scrutiny Officer will contact the Partnerships and Performance Section Head and discuss whether this can be arranged. Recently councillors have been asking for benchmarking information when they consider it appropriate.

- “Very happy with the style, brief, approach, having the meeting at our site helped, so being in the experience.”

“The Committee and Scrutiny Officer helped the museum to host scrutiny panel and providing something different, including a pop up tearoom, museum tour and object handling. This seemed to be positively received by members and gave the museum team a big boost to be able to present our work ‘in our own way’. I think this in the future could work well with other sections.”

In 2015/16 both Overview and Scrutiny Committee and Outsourced Services Scrutiny Panel held meetings outside of the Town Hall at places relevant to the items on the agendas. Both officers and councillors welcomed this opportunity to see the sites in action. This is something that the Committee and Scrutiny Team plan to do again for appropriate subjects.

- “Whilst I fully accept the importance of the role of scrutiny, it is important that as part of the annual task setting, scrutiny need to check that the work area being considered has the resource capacity to commit to the process.”

Once a scrutiny topic has been suggested the application is forwarded to the Head of Service for comments. This provides an opportunity to indicate whether the service is able to support a review. The Committee and Scrutiny Officer will also speak to officers to discuss any proposals and where necessary arrange meetings between officers and the scrutiny proposer. There are occasions when a scrutiny review needs to be carried out in a specific time frame and this is discussed with relevant officers. The Committee

and Scrutiny Team provide as much support as possible and will carry out additional research required by the task group.

- “I think members of the panel could be briefed more on the roles and responsibilities of officers attending prior to the panel.”

This is an area the Committee and Scrutiny Officer will look into further and discuss with the other officers within the Committee and Scrutiny Team. It may be possible to expand the ‘Introduction to Scrutiny’ handbook and / or the recently introduced ‘Information booklet’ for Outsourced Services Scrutiny Panel. Another option would be for the Chair to invite officers attending the meeting to introduce themselves and explain their role within the council.

6.3 Survey of members of the public and external organisations

This year a survey for members of the public and external organisations was not carried out as there were very few external people who had attended scrutiny as witnesses or guests. The Committee and Scrutiny Officer is currently working on producing a short questionnaire for external guests and will circulate it through the year. This will hopefully generate more responses and officers will also be able to act quickly should any issues arise.

6.4 Scrutiny suggestions for future reviews

Two scrutiny suggestions have been included in the councillors’ survey and one from an officer, as referenced in section 6.2. The Committee and Scrutiny Officer will look at the suggestions and, where possible send the scrutiny proposal form and discuss with them the suggestion. She will also discuss the suggestions with the relevant Head of Service.

7. Other Scrutiny work

7.1 Cabinet/scrutiny meetings

The Joint Cabinet Scrutiny meeting usually comprises the Mayor and her Cabinet and the Chairs and Vice-Chairs of Overview and Scrutiny Committee, Budget Panel and Outsourced Services Scrutiny Panel. There were no meetings arranged during 2015/16.

7.2 Scrutiny Training

An introduction to scrutiny at Watford Borough Council is covered in Democratic Services' presentation to new Councillors at their induction. They are provided with a copy of the handbook 'An Introduction to Scrutiny' and the Centre for Public Scrutiny's 'Overview and scrutiny in local government: a handbook for elected members'.

One councillor attended the 'Effective Scrutiny Programme' organised by the Leadership Academy.

There was one training session prior to Budget Panel in September 2016, to which all councillors were invited. The training covered an overview of local government finance and how the council is funded.

7.3 Scrutiny Handbook

The Committee and Scrutiny Officer updated the Scrutiny Handbook, which was given to all Councillors involved in one of the scrutiny committees or panels. The handbook provided an introduction to scrutiny and its role at Watford Borough Council. It had a section on questioning skills and the different types of questions that could be used with their advantages and disadvantages. It also included a list of previous scrutiny reviews and the list of documents available from the scrutiny library. The handbook will continue to be reviewed and adapted as required.

During the year the Committee and Scrutiny Team worked with other officers to develop the new handbook for the members of Outsourced Services Scrutiny Panel. It highlights the Council's key contracts and useful information for the Scrutiny Panel. This has been given to the 2016/17 scrutiny panel.

7.4 Scrutiny Library

The scrutiny library has been included in the scrutiny handbook 'An Introduction to Scrutiny', which is given to newly elected members and all participants of scrutiny committees and panels. The Committee and Scrutiny Officer regularly monitors the information and updates the library list accordingly. Some of the information is available online and other documents can be obtained by contacting the Committee and Scrutiny Officer.

7.5 Hertfordshire Scrutiny Network

The Scrutiny Network has continued to hold meetings throughout 2015/16. The network comprises officers from Hertfordshire County Council, the districts and borough councils within Hertfordshire and representatives from local authorities in Bedfordshire. Each authority's work programmes are circulated to the other councils, enabling officers to see what else is being scrutinised around the county. The Network enables officers to share experiences and feedback from any training they have participated in.

The Committee and Scrutiny Officer informs the Managing Director, Heads of Service, the Mayor and relevant Portfolio Holders of scrutiny topic groups arranged by Hertfordshire County Council. This allows officers and the Executive to consider whether they wish to be involved in the review, either by submitting a statement to the topic group or attending as a witness. Final reports from topic groups are circulated to relevant officers and Councillors within the authority, enabling them to identify any recommendations related to the district and borough councils.

For further information on this report or copies of the final reports produced by the Task Groups, please contact -

Sandra Hancock, Committee and Scrutiny Officer
Telephone: 01923 278377
Email: legalanddemocratic@watford.gov.uk

Overview and Scrutiny Annual Report – 2015/16

PART A

Report to: Council
Date of meeting: 11 October 2016
Report of: Head of Democracy and Governance
Title: Adoption of the Public Health Act 1925 by Watford Borough Council for Street Naming and Numbering Purposes

1.0 **Summary**

1.1 The report seeks adoption of Sections 17 to 19 of the Public Health Act 1925 relating to street naming and authority to place the necessary notices advertising the adoption.

2.0 **Recommendations**

2.1 That the Council agrees to adopt sections 17 to 19 of the Public Health Act 1925.
2.2 That the Council authorises The Head of Democracy and Governance to place the necessary notices to advertise the adoption.

Contact Officer:

For further information on this report please contact: Paul Mc Arthur
telephone extension: 8362 email: paul.mcarthur@watford.gov.uk

Report approved by: Carol Chen Head of Democracy and Governance.

3.0 **Detailed Proposal**

3.1 Local authorities have powers to name streets but this must be under either the Town Improvement Clauses Act 1847 or Public Health Act 1925.

A recent street naming proposal facilitated a review of Watford Borough Council's street naming procedures. Whilst undertaking the review it emerged that records of the statutory procedures which have been used by the Council in street naming are no longer easily accessible, and evidence of which of the two acts cited above the Council names streets under can not be identified without a significant expenditure of officer time.

It is felt to be more straightforward to confirm adoption by Watford Borough Council of the provisions of sections 17 to 19 of the Public Health Act 1925, and use this legislation in all future street naming.

The adoption of the relevant provisions of the Act will then need to be advertised and the resolutions cannot take effect until one month after the date of the resolution.

4.0 **Implications**

4.1 **Financial**

4.1.1 The Shared Director of Finance comments that other than the cost of the statutory advertisement there are no financial implications

4.2 **Legal Issues (Monitoring Officer)**

4.2.1 The Head of Democracy and Governance comments that under local government legislation Local authorities outside London have the power to name streets. This power is conferred either by the Town Improvement Clauses Act 1847 or the Public Health Act 1925. Schedule 14 paragraphs 23 – 25 of the Local Government Act 1972 applies these statutory provisions to all local authorities in England and Wales. The provisions are mutually exclusive and where the 1925 Act is in force the provisions of the 1847 Act have no effect.

These statutory provisions, either under the 1847 Act or the 1925 Act, apply in all areas which they were in force prior to 1 April 1974, or in areas which resolutions for their application have been made prior to that date.

Only one statutory regime can apply and the Council will have in the past adopted one or the other, or will be continuing to use whichever statutory regime applied to: *“those*

areas, and only those, to which they applied immediately before 1st April 1974” (paragraph 24 of Schedule 14).

Therefore if the Council is unable to determine that either a resolution was passed adopting one or other of the statutory regimes or instead that no resolution was passed, but to demonstrate that a particular statutory regime was followed prior to 1 April 1974, then it cannot be said with certainty which regime applies.

In such a case it is recommended that the Council make a resolution adopting the relevant provisions of the Public Health Act 1925

4.3 **Equalities**

4.3.1 There are no implications

4.4 **Potential Risks**

Potential Risk	Likelihood	Impact	Overall score
<i>Council is challenged on legislation it is using</i>	<i>1</i>	<i>4</i>	<i>4</i>
<i>Those risks scoring 9 or above are considered significant and will need specific attention in project management. They will also be added to the service’s Risk Register.</i>			

4.5 **Staffing**

4.5.1 No implications

4.6 **Accommodation**

4.6.1 No implications

4.7 **Community Safety**

4.7.1 No implications

4.8 **Sustainability**

4.8.1 No implications

Background Papers

No papers were used in the preparation of this report.

File Reference

None

PART A

Report to: Council
Date of meeting: 11 October 2016
Report of: Head of Democracy and Governance
Title: Amendment to the Council Scheme of Delegation

1.0 **Summary**

1.1 This report seeks approval to amend the Council's Scheme of Delegation following the deletion of the role of Head of Regeneration and Development and the approval of new delegations following the introduction of the Community Infrastructure Levy to enable efficient collection and enforcement.

2.0 **Recommendations**

2.1 That the Responsibility for Council Functions A2 –A14 and A26- A34 relating to Town and Country Planning and Development Control be amended to delete the Head of Regeneration and Development and to insert the Development Management Team Leader.

2.2 That the Responsibility for Council Functions A15-A25, A35, B39, B40, B41 and I 15 be amended to delete the Head of Regeneration and Development.

2.3 That a new A37 be added to the Scheme to provide for the administration and enforcement of the collection of the community infrastructure levy under the Community Infrastructure Levy Regulations 2010 as amended and that this be delegated to the Development Management Section Head and the Development Management Team Leader.

Contact Officer:

For further information on this report please contact: Carol Chen Head of Democracy and Governance
telephone extension: 8350 email: carol.chen@watford.gov.uk

Report approved by: Managing Director

3.0 **Detailed Proposal**

- 3.1 Cabinet approved proposals at its meeting on 6 June 2016 to restructure the management of the Council. Included in those proposals was the deletion of the post of Head of Regeneration and Development and the creation of a Deputy Managing Director role with a larger remit of services.
- 3.2 Following statutory consultation with affected staff the Head of Regeneration and Development left the Council on 2 September 2016.
- 3.3 As a result of the deletion of the role it is necessary to make amendments to the Council's Scheme of Delegation. The proposed amendments are set out below.
- 3.4 Under the Council's Scheme of Delegation the Head of Regeneration and Development shares delegated authority for the following functions:
- Town and Country Planning and Development Control
 - Power to Register Common Land or Town or Village greens
 - Functions that are not executive functions delegated by HCC
 - Functions implementing the provisions of s 8 of the Anti-Social Behaviour Act 2003
- 3.5 It is proposed that for all the above the Head of Regeneration and Development be deleted from the delegation. In relation to those Town and Country Planning Act functions specified in A2-A14 and A26-A34 of the scheme, that the Development Management Team Leader be added to the delegation, so that there is sufficient cover to continue to approve planning applications and other Development Management related matters in the event of the absence of the Development Management Section Head.
- The Development Management Section Head is already included within the existing delegation.
- It is envisaged that the Planning Policy Section Head will be available to be consulted by the Team Leader as appropriate.
- 3.6 For all the other delegations where the Head of Regeneration and Development has been given delegated authority, these were already shared with the Development Management Section Head and the Development Management Team Leader; therefore, it is simply the deletion of the reference to the Head of Regeneration and Development that is required.
- 3.7 In April 2015, the Council introduced a Community Infrastructure Charging Schedule and all relevant planning permissions are required to pay the CIL levy. In order to effectively administer and enforce collection of the levy Council is asked to delegate to the Development Management Section Head and the Development Management

Team Leader authority to exercise all powers under the Community Infrastructure Regulations 2010 (as amended) related to the collection and enforcement of the levy. These include the service of warning notices, seeking injunctions to stop development until the levy is paid and applying to the courts for liability orders and charging orders to secure payment and defending appeals against payment.

4.0 Implications

4.1 Financial

4.1.1 The Shared Director of Finance comments that there are no implications

4.2 Legal Issues (Monitoring Officer)

4.2.1 The Head of Democracy and Governance comments that whilst the Scheme of Delegation does allow the Managing Director or another Chief Officer to exercise any delegation in the event of either an emergency or the designated officer being unavailable it is felt that having more than one officer specified in the scheme with knowledge of Development Management is preferable and will ensure robust decision making.
Delegating the collection and enforcement of the CIL levy is an administrative function.

4.3 Equalities

4.3.1 No implications

4.4 Potential Risks

Potential Risk	Likelihood	Impact	Overall score
<i>Council does not agree to the amendments</i>	<i>1</i>	<i>2</i>	<i>2</i>
<i>Those risks scoring 9 or above are considered significant and will need specific attention in project management. They will also be added to the service's Risk Register.</i>			

4.5 Staffing

4.5.1 No implications

4.6 Accommodation

4.6.1 No implications

4.7 Community Safety

4.7.1 No implications

4.8 Sustainability

4.8.1 No implications

Background Papers

Council Scheme of Delegation

File Reference

None

Part A

Report to: Council
Date of meeting: 11 October 2016
Report of: Democratic Services Manager
Title: Changes to the Constitution

1.0 **Summary**

1.1 This report details changes to the Constitution recommended by the Constitution Working Party following its meeting on 22 September 2016.

2.0 **Recommendations**

2.1 That Council adopts the updated Contract Procedure Rules (attached at Appendix A) to take account of the changes due to the enactment of the Public Contracts Regulations 2015.

2.2 That the constitution be amended to state that the mover of a motion may not exceed 7 minutes with the right of reply speech not exceeding 3 minutes. The remaining speech times shall stay at 5 minutes and there should be no changes to the length of budget speeches.

2.3 That in the case of a busy agenda it should be at the chair's discretion whether to put a time limit on the length of debate for motions whilst still allowing for a balanced debate.

2.4 That the Chair of the Community Safety Partnership Task Group be appointed by the Overview and Scrutiny Committee when determining the Group's membership.

Contact Officer:

For further information on this report please contact: Caroline Harris,
Democratic Services Manager
telephone extension: 8372 email: caroline.harris@watford.gov.uk

Report approved by: Carol Chen, Head of Democracy and Governance

3.0 **Detailed Proposal**

3.1 The Constitution Working Party met on 22 September 2016 to consider various changes to the constitution. A copy of the agenda and reports are available at <http://modgov/ieListDocuments.aspx?CId=126&MId=1807&Ver=4>
These are their recommendations.

3.2 **Contract Procedure Rules**

3.2.1 Updates were required to the constitution in order to take account of changes due to the enactment of the Public Contracts Regulations 2015. Updates include amending the wording on exceptional circumstances exemptions and also making clear the requirement for officers to use the e-procurement portal. Wording has been added relating to SMEs (Small and Medium-sized Enterprise) under Part 4 of the new Regulations, which reflect the Lord Young reforms to support small businesses.

3.2.2 The revised Contract Procedure Rules are attached at Appendix A.

3.3 **Length of Motions**

3.3.1 The working party discussed whether to alter the time limits for speeches during motions at full Council. It was agreed that the current speech time limit for those not moving a motion should remain at five minutes and the budget speech time limits should also remain the same, both are set out in the constitution.

3.3.2 The working party resolved to recommend to Council that the time limits for the mover of the motion should be changed to seven minutes to propose the motion with three minutes for the right of reply.

3.3.3 The working party are also recommending to Council that in the case of a busy agenda it should be at the chair's discretion whether to put a time limit on the length of debate for motions whilst still allowing for a balanced debate.

3.4 **Chair of the Community Safety Partnership Task Group**

3.4.1 It is current practice for the Community Safety Partnership Task Group (CSPTG) to elect their chair at the first meeting. The CSPTG is appointed by the Overview and Scrutiny Committee (O&S) in June but the first meeting of CSPTG may not be until October or November. Therefore, the working party agreed to propose that the chair is elected at the O&S meeting when the task group is appointed in order to allow opportunity for the chair to work with officers on the programme for the task group ahead of the first meeting.

3.4.2 It was agreed by Council in May 2015 that the Chair of CSPTG should also be a member of O&S.

4.0 **Implications**

4.1 **Financial**

4.1.1 The Shared Director of Finance comments that there are no financial implications in this report

4.2 **Legal Issues (Monitoring Officer)**

4.2.1 The Head of Democracy and Governance comments that the legal implications are contained in the body of the report.

4.3 **Equalities**

4.3.1 This report is not considering a new policy

4.4 **Potential Risks**

4.4.1 None identified

4.5 **Staffing**

4.5.1 No implications

4.6 **Accommodation**

4.6.1 No implications

4.7 **Community Safety**

4.7.1 No implications

4.8 **Sustainability**

4.8.1 No implications

Appendices

Appendix A: Amended Contract Procedure Rules

Background Papers

Report and minutes of Constitution Working Party 22 September 2016

File Reference

None

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Introduction

These Contract Procedure Rules, issued in accordance with S.35 Local Government Act 1972, are intended to promote good practice and public accountability.

Officers responsible for purchasing or disposal must comply with these Contract Procedure Rules (the Rules). Compliance is the best defence against any allegation that a procurement has been made incorrectly or fraudulently. These are minimum requirements and more detailed procedures may be appropriate for particular contracts. Where there is a requirement for communication to be in writing, this shall include e-mail and fax as well as hard copy. In summary you must:

- Comply with the Rules for all procurements and disposals except where explicitly exempted.
- Comply with the principles of Transparency, Proportionality, Equal Treatment and Non-Discrimination.
- Act with the highest standards of probity and integrity
- Take all necessary legal, financial and professional advice.
- Declare any personal financial interest or other conflict of interest.
- Conduct a Best Value review and appraise the procurement need.
- Comply with the Council's corporate aims, objectives and policies.
- Check if there is an existing Corporate Contract or Framework Agreement to use
- Ensure tender documents give a full, clear and accurate description of the work.
- Clearly specify the exclusion, evaluation, selection and award criteria and their weighting.
- Keep commercial information confidential.
- Notify unsuccessful bidders of why the decision was taken, the name of the successful bidder and the relative advantages of its bid, or of any decision not to award the contract.
- Complete a formal Contract or issue an Official Purchase Order before the supply, service or works begins.
- Add the Contract details to the Council's Contract Register
- Assess the Contract Management skills available and identify any training needs and support required.
- Identify a contract manager with responsibility for ensuring the contract delivers as intended.
- Maintain proper Contract Management records..
- Undertake a post-contract review to monitor performance, how well it met the procurement need and the Value for Money.

The Rules are part of the Council's Constitution. They apply directly to every employee of the Council involved in any part of a procurement process. They apply equally to any partnership the Council may enter into and to contracts in respect of which the Council may nominate sub-contractors or suppliers.

The Rules must be followed by the Council, the Cabinet (including Cabinet Portfolio Holders) and by Agents, Consultants, including architects and engineers, and Public Private Partners, acting for or on behalf of the Council. These Rules apply to contracts involving the receipt of income as well as expenditure and to Concessions.

In accordance with the Constitution, the Director of Finance may amend these Rules after consultation with the Head of Democracy & Governance and the Audit and Risk Managers.

If you are in doubt about whether these Rules apply to a contract or proposed contract, about their meaning or how to apply them, consult:-

- (a) Your Manager.
- (b) The Corporate Procurement Manager.
- (c) The Head of Democracy & Governance.
- (d) Director of Finance
- (e) Internal Audit Service.

Procurement refers to the whole process relating to the purchase, acquisition or commissioning of Works, Supplies and Services. One definition is: Procurement is the business management function that ensures identification, sourcing, access and management of the external resources that an organisation needs or may need to fulfil its strategic objectives.

Contracts

Contracts are legally binding agreements and in English law they do not need to be in writing. In simple terms a contract is formed when an offer, to do or to supply something for another party, is accepted by the party to whom the offer was made. Contracts may be formed in writing, by word of mouth, or by performance. Care must be taken when communicating, verbally or in writing, with bidders. You must only enter into contracts on behalf of the Council where there is current budget provision.

Relevant Contracts

All Relevant Contracts must comply with these Rules, these include arrangements made by or on behalf of the Council for the:

- Supply of goods, materials or Services and the carrying out of Works
- Disposal of goods, materials, plant, vehicles or equipment
- Hire, Rental or Lease of goods, plant, vehicles or equipment
- Granting of Concession Contracts
- Delivery of Consultancy, Advisory and other Services, including but not limited to those related to the recruitment of staff, land and property transactions, legal, financial, construction and other consultancy services.

Relevant Contracts do not include:

- Contracts of Employment which make an individual a direct employee of the Authority. For the avoidance of doubt the Rules do apply to contracts with agencies or companies for the employment of staff.
- Acquisition and disposal of Land. For the avoidance of doubt the Rules do apply to advice and other services taken in relation to the disposal of land.

Officer Responsibilities

Officers responsible for purchasing or disposal must:

- Comply with these Rules, the Financial Procedural Rules, the Code of Conduct for employees, other Council policies and all UK and European Union legal requirements.
- Ensure that any Agents, Consultants and Partners acting for or on behalf of the Council comply with these Rules.

- Check if a suitable Corporate Contract exists before seeking to procure another contract; where a suitable Corporate Contract exists, this must be used unless there is a sound business case not to do so. In that event the reasons must be documented and approved by the relevant Head of Service.
- Consult the participating Councils in the shared service partnership on any opportunity to aggregate demand for more efficient procurement where a new procurement requirement is identified
- Consider Collaborative Procurement opportunities with other Authorities, particularly other Councils in Hertfordshire.
- Assess if a Contract may have the consequence that any employee of the Council or of a current service provider might be affected by any transfer of the work or undertaking. Officers must ensure that the implications of the Transfer of Undertaking (Protection of Employment) Regulations (TUPE) are assessed. The advice of the Head of Democracy & Governance must be sought in any case involving the TUPE Regulations before proceeding with the procurement.
- Assess if the Construction (Design and Management) Regulations 2015 (CDM), which places legal duties on those involved in construction work, apply.
- Consult with and receive the approval of Head of ICT for all ICT Hardware and Software procurements, including licences, printers, telephony and ICT accessories.
- Consult with and receive the approval of Head of HR for all procurements involving the recruitment, appointment or employment of agency, self employed or contract staff. Such contracts must also be recorded on the Contract Register.

Officer Requirements

- Assess the most appropriate procurement route to achieve Best Value. Including in-house provision, using an existing contract, external procurement, Partnering, collaborative procurement with other local authorities, public body or purchasing consortium or use of an existing Framework Agreement let by others.
- Prepare a pre-tender estimate of the value of the supplies, services or works.
- Set out a clearly defined Specification for the supply, services or works with reference where necessary to appropriate standards etc.
- Clearly set out the Terms and Conditions, or Conditions of Contract that are to apply to the proposed contract. These include any Special Conditions of Contract where a standard form of contract is used. An example of a standard form of contract is the NEC3 Suite of contracts which are the preferred form for relevant Works and Professional Services.
- Consider how SME's and / or the 3rd Sector could engage with the procurement.
- Define clear Evaluation (selection and award) Criteria and their weightings for each stage of the procurement process.
- Ensure there is appropriate approval or delegated authority for the expenditure and the procurement accords with the approved policy framework and scheme of delegation set out in the Constitution.
- Carry out appropriate credit checks and observe any requirements for a surety.
- Observe any Standstill or "Alcatel" period as appropriate for procurements above the EU Thresholds.
- Publish an Award Notice if appropriate both OJEU and on the Contracts Finder website

Head of Service Responsibilities

Heads of Service must ensure that:

- their staff comply with their Officer responsibilities
- The Contract Register is up to date and that copies of all contract documents are kept safe and accessible. Electronic copies are acceptable for lower value contracts but an additional hard copy of all major contracts must be retained for safekeeping.
- any Exemptions are recorded.
- contract records are retained in accordance with the Council's Document Retention policy.
- The Corporate Procurement Manager is informed of all contracts that are awarded and that copies of all procurement and contract information are made available.

Exemptions

- Acquisition or disposal of Land:

These Rules do not apply to the acquisition or disposal of Land except where a lease or licence is granted as a part of a principal contract for other Works, Supplies or Services.

- Unforeseeable emergency:

Where exemption from these Rules is unavoidable due to an unforeseeable or emergency event involving immediate risk to persons or property or likely to give rise to major or serious disruption to the Council's services, a Head of Service and the Managing Director may jointly approve an exemption. They must inform the relevant Portfolio Holder and make a report to the next Cabinet meeting on the action taken. Urgency caused by undue delay will not be a valid reason for an exemption.

- Exceptional Circumstances:

An exceptional circumstances exemption may be jointly approved by a Head of Service and the Managing Director in limited and exceptional circumstances. This applies at the Managing Director's discretion and only below the EU thresholds examples of which may include but not be limited to:

- Events which may involve significant risk to a key contract, for example where a key supplier goes into Administration or Receivership
- Situations which may cause significant disruption to a Council service
- Extensions of or additions to existing contracts where demonstrable benefits and clear savings can be shown
- Single tender action or use of a substitute contractor from the original tender responses to complete a contract or part of a contract
- Short term provisions to enable more effective and efficient procurement to be undertaken
- Other circumstances where clear synergies with existing services can be evidenced or where supported by substantial market research

They must inform the relevant Portfolio Holder and make a report to the next Cabinet meeting on the action taken.

- Limited market:

A partial exemption may apply where a supply or service is only obtainable from a single or a very limited number of contractors. In such a case, evidence of the limited market must be provided, such

as by public advertisement or detailed market research. A Head of Service and the Managing Director may jointly approve a partial exemption. They must inform the relevant Portfolio Holder and make a report to the next Cabinet meeting on the action taken.

- Prior approval:

Other than as specified above no exemption from these Rules shall be made unless prior approval has been granted at a Cabinet meeting.

Record of Exemptions – Heads of Service must ensure that full details of approved waivers and exemptions are recorded in a central register held by the Corporate Procurement manager on behalf of the MD.

E-Procurement

Electronic procurement systems simplify the tender process, reduce the bureaucratic burden for suppliers, make it easier to tender, improve smaller organisations' ability to bid and allow shorter tender periods.

All procurements above a value of £5,000 must be procured via the Council's e-procurement portal, unless a specific exemption has been agreed by the Head of Service.

The e-procurement portal is designed to simplify the procurement process, to make the process more secure and auditable and to improve accessibility to procurement opportunities for potential suppliers.

Opportunities should be openly and widely publicised. The portal enables links to the UK Government's "Contracts Finder" website and to the Official Journal of the European Union (OJEU) / Tenders Electronic Daily (TED). Officers may also place adverts in the local press or specialist journals if appropriate in addition to that posted on the portal.

Advice on using the portal should be taken from the Corporate Procurement Manager.

Records

Contract records must be retained in accordance with the Council's Document retention policy and where relevant should include:

- Details of any exemptions granted
- Pre-procurement market testing / research
- The procurement route used
- Tender Adverts / Notices
- Pre Qualification Questionnaires (PQQ's) and expressions of interest received
- The evaluation criteria used and the evaluation record based on those criteria
- Credit checks and records of economic and financial standing
- Invitations to Tender and tender documentation
- Tenders received and tender records and registers
- Pre and post tender clarifications and, where relevant, records of dialogue and /or negotiation.
- The award criteria and the evaluation record based on those criteria

- Records of communications with the successful contractor
- Details of feedback given to successful and unsuccessful bidders
- Standstill / Alcatel letters
- Contract documents
- Regulation 84 reports
- Contract Management records
- End of Contract Reviews

Approved or Standing Lists of Suppliers

The Council does not maintain Standing or Approved Lists of Contractors or Suppliers. Approved Lists cannot be used where PCR2015 Regulations apply.

Where recurrent transactions of a similar type are likely a suitable framework agreement, or term contract, should be used. The framework agreement must include terms for calling off supplies, services or works from the framework supplier(s). A Framework Agreement may be with a single supplier or have two or more suppliers on the list. Additional suppliers cannot be subsequently added to a framework agreement.

A formal and approved register of pre-qualified Contractors and Consultants maintained by or on behalf of the public sector (e.g. Construction line) may be used for the selection of a shortlist where appropriate. Any contractors or consultants from such a register must be assessed against the selection criteria published for the procurement.

It is not acceptable to use a random selection facility as available on some of these registers as this is not a substitute for the proper evaluation and selection of contractors and consultants, against a set of pre determined evaluation criteria, despite the pre-qualification stage achieved by inclusion on the register.

Framework Agreements and Collaborative Procurements

A Framework Agreement is a contractual arrangement with one or more providers that set out terms and conditions under which specific or call-off purchases or contracts can be made at any time throughout the term of the framework agreement. The term of a Framework Agreement should not exceed four years. A call off contract may be for longer than four years and can exceed the term of and survive beyond the end date of the framework agreement.

Call-off contracts formed under a Framework Agreements must be awarded in accordance with the procedure prescribed in the Framework Agreement. Where there is more than one provider under the framework it is usually necessary to hold a mini competition. The Council's Rules apply to a mini competition in the same manner as all other procurements.

Framework Agreements to which the Council has access may be let by another body e.g. the Government Crown Commercial Service (CCS), another Local Authority (LA) or a consortium of LA's e.g. Eastern Shires Purchasing Organisation (ESPO).

Officers proposing to use a Framework Agreement must check that:

- The Framework Agreement has been let in full accordance with these Rules and where appropriate EU Regulations.
- The Council has the right to use the Framework Agreement.

- The procedures for call-offs or mini-competitions under the agreement accord with these Rules.

Officers proposing to use a Collaborative arrangement with other parties e.g. other Local Authorities to jointly procure works, supplies or services must check that:

- The collaborative procurement contract has been let in full accordance with these Rules and where appropriate the Public Contract Regulations (PCR2015).
- The Council is a member of the collaboration or consortium and has the right to use the contract.
- The procedures for using the contract accord with these Rules.

Collaborative and Partnership arrangements are subject to the same procurement legislation and must follow the Council’s Rules. If in doubt, Officers must seek the advice of the Corporate Procurement Manager.

Competition Requirements

The requirements relate to the Estimated Total Value of the procurement:

The Value of a Contract is the total value over the whole potential duration of the contract including any possible extension to the term of the contract. Where the duration is uncertain a minimum of four years shall be assumed. The value of a framework agreement is the value of all the potential call offs that may be made by all contracting bodies permitted to use the framework. The value of a concession is the total potential gross income or other assessment of value to the contracting parties. If in doubt, Officers must seek the advice of the Director of Finance.

Minimum requirements:

Thresholds excl VAT	Minimum requirements
Less than £5,000	One written quotation demonstrating value for money through a combination of cost and quality. More than one quote is preferred and should be sought where appropriate.
Greater than £5,000 – EU Threshold	Public advertisement of the requirement and, except where the Open procedure is used, invite Tenders from at least three and usually no more than six bidders.
Above EU Threshold	Advertise and follow PCR2015 procedures and, except where the Open procedure is used, invite Tenders from at least five and usually no more than six bidders.

All tender opportunities should be advertised to comply with the principle of transparency.

Where it can be demonstrated that there are fewer suitably qualified bidders to meet the competition requirement, all suitably qualified Candidates must be invited. The Head of Service and the Corporate Procurement Manager must be consulted in such cases.

If more than one contractor is to be appointed, for example to a framework agreement or if a contract is split into Lots, the number of bidders invited to tender may be increased to more than six.

Contracts must not be disaggregated nor methods of calculating the Estimated Total Value used in order to undermine the intention and application of these Rules or the Regulations.

The normal procurement procedure to be used shall be the Open Procedure. Officers shall consult the Corporate Procurement Manager and / or the Head of Democracy & Governance if the Restricted or other procedures are proposed.

Assets for Disposal

Assets (excluding land) for disposal must be sent to public auction except where better Value for Money is likely to be obtained by inviting Quotations or Tenders. The method of disposal of surplus or obsolete stock, plant, vehicles and equipment or assets, other than land, must be formally agreed with the Director of Finance.

Providing Services to External Purchasers

The Director of Finance and the Corporate Procurement Manager must be consulted where proposed contracts include supplies to or work for or on behalf of other organisations.

Appointment of Consultants

The procurement of Consultants, including solicitors, architects, engineers, surveyors and other professionals, must comply with these Rules. Any Consultant appointed who acts for or on behalf of the Council must also comply with these Rules. A written contract, or appointment in the form of a formal letter or Purchase Order for values below £25,000, must be used. A standard Professional Services form of contract, such as in the NEC3 Suite, should be used where appropriate.

Records of consultancy contracts must be maintained in the same manner as all other contracts and shown on the Contract Register.

Consultants must be required to provide evidence of, and maintain, Professional Indemnity insurance to the satisfaction of the Council's Insurance Officer.

Pre-Procurement Engagement or Soft Market Testing and Research

Pre-procurement engagement is a range of activities to engage with the market before starting a procurement process and may include a technical dialogue to inform a specification. Engaging with the market before starting the formal procurement process is best practice and helps to maximise value for money from the resulting procurement. (PPN04/12)

Officers should consider pre-procurement consultations with potential suppliers prior to the start of any part of the formal procurement process including a Tender Advert or Notice. Care must be taken not to prejudice the equal treatment of potential suppliers or to distort potential competition. Advice on pre-procurement strategies should be sought from the Corporate Procurement Manager.

Insurance

Insurance requirements must be clearly specified in the contract. The Council's Insurance Officer will advise on the minimum limits of indemnity required for each contract. Prior to entering into a contract Officers must require the contractor to produce current insurance certificates in respect of Employers' Liability and Public Liability risks and for Professional Indemnity where appropriate for such limits and for such periods as are specified by the Council's Insurance Officer. The Contractor

must be required to produce up to date Insurance Certificates at each subsequent renewal date during the term of the contract.

Specifications, Standards and Evaluation Criteria

Specifications must set out the minimum required standards of technical and professional ability and reliability. Specifications must refer to relevant UK, EU or international standards which apply to the subject matter of the contract. The Head of Democracy & Governance must be consulted if it is proposed to use other than UK or EU standards.

Tenders should be assessed on the basis of the Most Economically Advantageous Tender (MEAT), where Quality and Price considerations both apply. In minor or exceptional cases bids may be invited on a lowest price (where payment is to be made by the Council) or highest price (if payment is to be received by the Council).

The Officer must define and publish appropriate Price and Quality Evaluation Criteria and their respective weightings.

Quality Evaluation (selection or award) criteria may include experience, technical merit, programme and delivery proposals, environmental matters, social value, added value, whole life costs, innovative, aesthetic and functional characteristics, health and safety, after-sales service and response, technical assistance, CV's of key staff, accreditations, approach to collaborative working or partnering with a Local Authority and any other relevant matters.

Evaluation Criteria must not include non-commercial considerations or geographic limits which might discriminate against suppliers from the EU. It is acceptable to require submissions to be in English and priced in Pounds.

Accreditations should be considered where appropriate and relevant but must not be a substitute for other checks and due diligence. These should not be required or assessed in a manner that may inadvertently disadvantage potential providers, for example, SMEs, public service mutuals or third sector organisations.

Financial Assessment and Vendor Capabilities

Financial assessment of potential providers should be undertaken in a manner that is proportionate, flexible and not overly-risk averse while ensuring taxpayer value and safety is protected and relevant Procurement Law complied with. All potential providers, whatever their size or constitution, should be treated fairly and with equal diligence during the financial appraisal process. For example: no SMEs, public service mutuals or third sector organisations should be inadvertently disadvantaged by the financial assessment process (PPN 02/13)

Due diligence must be carried out to ensure that the vendor has the necessary skills, resources and abilities to undertake the work. The due diligence must be proportionate to the nature and scale of the work proposed. This includes checking the credentials of sub-contractors where appropriate.

Social Value

Social value is the consideration of how procurement might offer social, economic or environmental benefits to the community.

The Public Services (Social Value) Act 2012 applies to certain types of services contracts and framework agreements but it is good practice to consider these principles for all procurements. The requirement is to consider the economic, environmental and social benefits of the approach to the procurement before the process starts and to consider whether there is a need to consult on these issues.

The Act applies to the pre-procurement stage of contracts for services as that is where social value can be considered to greatest effect. This should inform the shape of the procurement approach and the design of the services required. It should enable a re-think of the outcomes and the types of services to be procured. (ref PPN 10/12)

The potential interest of Small and Medium Size Enterprises (SME's) and the 3rd Sector should be considered when assessing the shape of the procurement approach and the design of the Supplies or Services required. This may also include ways to cascade good practice down the supply chain.

Contracts should ensure that the principles of these Rules including the need for market testing and the provision of Value for Money is cascaded down the supply chain. The Council expects good practice to be in place to ensure a fair selection of sub-contractors, appropriate terms and conditions and prompt payment of monies due.

Past Performance

The Council is entitled to establish minimum standards for reliability based on past performance which must be met by potential bidders for public contracts (PPN09/12). To provide assurance about performance and protection for the taxpayer and recipients of the services, procurements should include minimum standards for reliability based on past performance.

It is good practice to request specified information, which may include certificates of performance, about past performance in the last 3 years to establish that:

- the principal contracts of those who would provide the goods and / or services have been satisfactorily performed in accordance with their terms; or
- where there is evidence that this has not occurred, that the reasons for failure will not recur if that bidder were to be awarded the relevant contract.
- A due diligence process can be carried out to assess the contractors understanding of contracting with the public sector and their approach to contracting / partnering with the Council where appropriate.

If the evaluation panel remains unsatisfied that the principal contracts of those who would provide the goods and / or services have been satisfactorily performed, it should exclude that bidder on the grounds that it has failed to meet the minimum standards of reliability set.

Public Sector Equality Duty (PSED)

Officers must ensure compliance with the Council's legal obligations under the Equality Act 2010 and its associated Public Sector Equality Duty with due regard to the three aims of the duty:

- Eliminate unlawful discrimination, harassment, victimisation and any other conduct prohibited by the Act;

- Advance equality of opportunity between people who share a protected characteristic and people who do not share it; and
- Foster good relations between people who share a protected characteristic and people who do not share it.

Officers must ensure that public goods and services are accessible to, and meet the diverse needs of all users to ensure that no one group is disadvantaged in accessing public goods and services. Procurements must meet the Fundamental principles of equal treatment, non-discrimination, transparency and proportionality (PPN09/12 and 01/13).

Invitations to Tender (ITT's) / Requests for Quotations (RFQ's)

Pre-Qualification Questionnaires (PQQ's) may only be used in limited circumstances. Where used, the aims are to select a list of suitably competent and qualified bidders and to reduce the number of bidders to an appropriate and manageable number using pre-published evaluation criteria.

The criteria may include pass / fail mandatory and discretionary criteria. Where the capability of an individual(s) is essential to the delivery of the contract, for example, the provision of consultancy, CV's should be requested and assessed. PQQ's should not impose arbitrary minimum requirements which may have the unintended effect of barring new or small businesses from bidding.

Officers should undertake a financial check as part of the evaluation process but, in the spirit of encouraging supplier growth, should not rule out a supplier unless there is clear evidence that the supplier's financial position places public money or services at unacceptable risk. The Director of Finance must be consulted in all cases of doubt.

The Notice or Advert and the Invitation to Tender shall state that late submission, of an Expressions of Interest or of a Tender will not be accepted. Submissions must be received by the due time and date. Any appeals for consideration of a late submission, due for example to a default by the Council, may only be considered by The Head of Democracy & Governance and / or the Corporate Procurement Manager.

Where late submissions are received, including by e-mail, other than via the procurement portal they shall be opened only by The Head of Democracy & Governance, or representative, or the Corporate Procurement Manager. No details of the late submission shall be disclosed.

An Invitation To Tender should set out full details of the Council's requirements. An ITT may allow the submission of Variant bids to allow for supplier innovation.

An Invitation To Dialogue should set out an overview of the Authority and its needs; a starting position from which the dialogue can commence and how the dialogue will be structured together with any rules that apply to the dialogue phase.

All Invitations to Tender shall include the following:

- (a) A Specification that describes the Council's requirements in sufficient detail to enable the submission of competitive offers.
- (b) The Terms and Conditions of Contract that shall apply.

- (c) A Certificate of Non- Collusion for tenderers to declare that they have not colluded with any other party nor disclosed details of their submission to any other party (except where such a disclosure is in confidence and necessary for the purposes of preparing their submission).
- (d) A Form of Tender in the prescribed format for bidders to sign and confirm their bid price.
- (e) An Equality and Diversity questionnaire.
- (f) Notification that bidders must disclose any actual or potential conflict of interest.
- (g) Notification that bidders are responsible for all their costs of preparing a submission and that no costs will be reimbursed by the Council.
- (h) Details of the Evaluation Criteria with their relevant weightings and the methodology for scoring those criteria.
- (i) That submissions must be made via the Council's e-procurement portal unless otherwise agreed.
- (j) Where submissions are made other than via the procurement portal, notification that no Tender will be considered unless it is in a sealed envelope or container which bears the word 'Tender' followed by the subject to which it relates, with no other name or mark indicating the sender.
- (k) The method by which any arithmetical errors discovered in the submitted Tenders are to be dealt with.
- (l) A statement that the council is not bound to accept the lowest or any Quotation or Tender.
- (m) Advice that the Authority is subject to the obligations of the Freedom of Information Act 2000, the Environmental Information Regulations 2004 and the Government's Transparency Code 2014 and that the final decision on publication or disclosure of any information shall remain with the Council.
- (n) Advice that Credit checks and records of economic and financial standing may be sought.

All bidders invited to tender or quote must be issued with the same information at the same time and subject to the same conditions. This also applies to any supplementary information or clarification given during the tender period.

Nominated Sub-contractors and Suppliers

These Rules apply to nominated sub-contractors and suppliers. Officers should avoid the use of nominated sub-contractors and suppliers as far as practicable. If a nominated sub-contractor or supplier is to be considered, Officers must take advice from the Head of Democracy & Governance.

The invitations to tender (ITT) for contracts involving Nomination must include a clause to require the parties to enter into contract on terms relevant to the indemnities and obligations of each party as required by the Head of Democracy & Governance.

Short listing

Where bidders are evaluated for short listing or for the award of a contract Officers must assess the financial and technical standards appropriate to the contract. Assessments must be made in accordance with the published Evaluation Criteria. This includes having regard to the Proportionality Rule in relation to the size and resources of a company relative to the value of the contract.

Submission, Receipt and Opening of Tenders or Quotations

Tender periods must be sufficient for bidders to prepare and submit proper bids consistent with the complexity of the contract requirements.

All Tenders must be returned via the procurement portal or, where that doesn't apply, to the Head of Democracy & Governance or the Corporate Procurement Manager.

All tenders for contracts for £5,000 or more must be opened at one time by, or in the presence of, the Head of Democracy & Governance, or nominated officer, or the Corporate Procurement Manager.

The Officer nominated to receive the tenders shall be responsible for the safekeeping of Tenders until the appointed time of opening. Each Tender must be suitably recorded to verify the date and precise time it was received, adequately safeguarded against amendment of its contents. The procurement portal is compliant with this requirement.

The Officer nominated to receive the tenders must ensure that all Tenders are opened at the same time as soon as practicable after the period for their submission has ended. They must ensure that the the bids received are recorded on the Tender Record Form.

Clarifications and Negotiations

Providing clarification during a tender period is permitted. It must not be in the form of any negotiation and must be made in writing to all bidders. Where any verbal discussion is entered into any clarification given must be confirmed in writing and copied to all bidders.

Where bidders do not want information shared with other bidders, as that might for example indicate a bidding strategy, they should be invited to withdraw their clarification question before any answer is given. If an answer is given it must be shared with all the other bidders.

Post tender negotiations, between submission of bids and contract award, are not permitted. An exception is where a Negotiated or Competitive Dialogue procedure has been used. In such cases the rules relating to the negotiations must be clearly set out in the tender documents and those negotiation rules must provide for:

- (i) The requirements of relevant UK legislation, these Rules and good practice guidance.
- (ii) Written approval of the Head of Democracy & Governance or the Managing Director.
- (iii) The documentation sent out to prospective bidders stating that negotiation may take place and the basis upon which such negotiation would be held

Post-tender negotiation must only be conducted in accordance with the guidance issued by The Head of Democracy & Governance who, with the Corporate Procurement Manager, must be consulted wherever it is proposed to enter into post-tender negotiation.

The circumstances under which such negotiations may be considered are where:

- (i) High levels of innovation are required as part of the tender solution
- (ii) The new contract will involve radical changes from existing practices
- (iii) There are a number of alternative proposals or solutions that the Council is considering
- (iv) The specification has a number of alternative packages or elements
- (v) Variant bids are shown as acceptable in the Notice and negotiations relate to variant bids.

If post-tender negotiations are necessary then such negotiations shall only be undertaken with the preferred bidder who is identified as having submitted the Most Economically Advantageous Tender

and after all unsuccessful bidders have been informed. During negotiations tendered rates and prices shall only be adjusted in respect of a corresponding adjustment in the scope or quantity included in the Tender documents.

Negotiations must be conducted by a team of at least two Officers, one of whom must be from a service independent of that leading the negotiations. The independent representative can be a representative from another council if the tender is a collaborative procurement.

Officers appointed by the Head of Service to carry out any post-tender negotiations must ensure that they keep full and accurate records and minutes of all negotiation meetings and discussions and that any actions and outcomes are confirmed and agreed in writing by both parties.

If post-tender negotiation results in a fundamental change to the specification or to the terms of a contract the contract must not be awarded. A fundamental change from the work tendered must be re-tendered. The advice of The Head of Democracy & Governance and the Corporate Procurement Manger must be sought before concluding any post-tender negotiations.

Evaluation, Selection, Award and Feedback

The confidentiality of Quotations, Tenders and the identity of bidders must be observed at all times. Information about one bidder or their response must not be given to another bidder except as provided in these Rules.

Evaluation and Moderation panels must comprise a minimum of two Officers. The procedures to be used by the panels, including the Interview panel if an interview stage is included in the process, must be set out in advance of the receipt of submissions.

If an Interview stage and / or a Best and Final Offer (BAFO) stage is included in the process the procedures for them must be clearly set out for bidders in the bid documents. The published arrangements cannot be revised post tender submission.

Contracts must be evaluated and awarded by the panels in accordance with the published Evaluation (selection and award) Criteria. Neither criteria nor weightings can be revised post tender submission.

Officers shall compare submitted Tender prices with any pre-tender estimates and examine and explain any discrepancies.

The arithmetic in compliant Tenders must be checked. If simple arithmetical errors are found they should be corrected and the bidder notified. The bidder must be given the opportunity to stand by or withdraw the corrected bid.

The Officer responsible for the evaluation panel and moderation must prepare a Section 84 Public Contracts Regulations 2015 report setting out the reasons for the selection, having regard to the evaluation criteria, and the reasons for rejecting the unsuccessful tenders.

Where the Total Value is over £5,000, the Officer must notify all bidders at the same time of the intention to award the contract to the successful bidder.

Where the Public Contract Regulations apply, the Standstill or "Alcatel" period of at least ten days must be observed. The Regulations require a formal letter containing prescribed information to give

unsuccessful bidders time to challenge the decision before an award. If the decision is challenged the award of contract must not be made and the advice of The Head of Democracy & Governance and the Corporate Procurement Manager must be sought.

Where the Total Value is over £5,000 feedback must be offered to all bidders and potential bidders including those not short listed at a PQQ stage. The advice of The Head of Democracy & Governance and / or the Corporate Procurement Manager should be sought although the feedback must include:

- The Evaluation Criteria and how they were scored for their submission
- The characteristics and relative advantages of those short listed at a PQQ stage. Details that could identify those short listed must not be disclosed.
- The name of the successful bidder(s)
- The reasons for the award decision and the characteristics and relative advantages, , of the successful bidder(s).
- When the standstill period is due to end.

Avoiding Challenges

Challenges are increasing for public sector procurements with the most likely challenges being from unsuccessful bidders challenging the evaluation process. This risk of challenge should be reduced by:

- publishing the process and timings for issuing the ITT and supporting documentation, dealing with clarifications, receiving bids and placing contracts, and adhering to the process.
- Providing all the relevant Procurement Documents when the notice is published
- making sure that evaluation criteria, sub-criteria and weightings are clearly linked to the work required and published in the ITT.
- using a clear and objective marking scheme (e.g. the reasons for awarding 6 points rather than 5 are clear to bidders and to evaluators)
- maintaining an audit trail during the process, to help explain why a bid was unsuccessful and to defend any challenges raised.

The key principles are that criteria must be reasonable, proportionate, transparent and relevant to the goods, works or services being procured. Objective criteria should be clear, verifiable and targeted with measurable outputs. Subjective criteria should clearly define the basis on which any value judgements would be based. All criteria must be fair and not involve any discrimination, including a level playing field for non-local bidders, to ensure compliance with the Public Contract Regulations.

Contracts

All Contracts must be in writing and held in accordance with these Rules and, irrespective of value, must clearly specify:

- what is to be done or provided (i.e. the Works, materials, Services, Supplies, matters or things to be done or provided)
- the provisions for payment (i.e. the price to be paid and when and details of any indexation)
- the time, or times, within which the contract is to be performed
- the provisions for the council to terminate the contract.

The Council's Official Purchase Order form, the Council's standard Terms and Conditions or a standard Form of Contract issued by a relevant professional body (e.g. NEC3) must be used as appropriate. The form of contract must be approved by the Head of Democracy & Governance.

In addition, every Contract over £5,000 must also state clearly as a minimum:

- That the contractor may not assign or sub-contract without prior written consent
- Insurance requirements
- Health and Safety requirements
- Data Protection requirements
- Equality and Diversity requirements
- Freedom of Information Act and Environmental Information Regulations requirements
- TUPE requirements
- That those acting for or on behalf of the Council must comply with the council's Contract Procedure Rules
- A right of access to all relevant documentation and records of the contractor for monitoring and audit purposes.
- VAT and other tax requirements.
- The Requirements for a Bond and / or Parent Company Guarantee.
- Prevention of Corruption requirements.
- Any Indexation or Price variation details or if no variation of Rates or Prices applies.

The formal advice of the Head of Democracy & Governance must be sought for contracts where:

- The Total Value exceeds the EU Thresholds
- The Risk is outside acceptable parameters
- They involving leasing arrangements
- It is proposed to use a supplier's own Terms and Conditions of Contract
- They are complex in any other way.

Indexation and price variation Clauses

The advice of the Director of Finance must be sought on any indexation clauses and the indices to be used, e.g. CPI. Where an indexation clause is used consideration should be given to an efficiency factor, e.g. less 1% p.a., to encourage Best Value and continuous improvement during the term of the contract.

Price variation clauses should allow for any potential variation in the scope or scale of goods, works or services to be provided during the term of the contract. This may be in consequence of other factors e.g. a variation in the number of service users where another service has been outsourced.

Forming of Contracts

Formal contracts must be formed for contracts with a value greater than £25,000. Below this threshold an Official Purchase Order may be placed but it must include full details of the supply, service or works to be delivered and the Terms and Conditions that apply to the Order.

Contracts must be in a form approved by the Head of Democracy & Governance. An industry standard may be used subject to the additional clauses being added to meet the requirements of these Rules and to protect the Council's interests.

Every contract must specify the work, goods, supplies and services to be provided, the price and charging basis including any indexation, and the time in which the contract is to be performed.

Extension of contracts

A Contract may be cumulatively extended by up to 50% of the initial contract value. Contracts should include suitable clear, precise and unequivocal clauses to enable contracts to be extended or amended. The revised total value of a contract initially let below the EU Threshold must not exceed that Threshold value. The Head of Service, for contract extensions up to £25,000, and jointly with the Managing Director for greater values, may approve a contract extension. They must inform the relevant Portfolio Holder and, for values greater than £25,000, make a report to the next Cabinet meeting on the action taken.

Contract Formalities

Contracts not under Seal, including Purchase Orders, shall be completed as follows, subject to the relevant Scheme of Delegation:

Up to £50,000 - Signature by any one of the following: Head of Service or authorised representative; Head of Democracy & Governance; Managing Director; Director of Finance.

Above £50,000 (Excluding Sealing) Signature by any two of the following: Head of Service; Head of Democracy & Governance; Managing Director; Director of Finance.

Where risk and high value are relevant contracts should be under Seal subject to the advice of the Head of Democracy & Governance.

All contracts should be concluded formally in writing before the Supply, Service or Work begins, except in exceptional circumstances, and then only with the written consent of the Head of Democracy & Governance or Managing Director. An award letter or an intention to award letter is insufficient.

The Officer responsible for securing signature of the contract must ensure that the person(s) signing for the other contracting party has / have authority to bind it.

All contracts for the purchase of motor vehicles or mechanical plant irrespective of value must be in writing and must be signed by the Head of Service and at least one of the following: the Managing Director; the Director of Finance; the Head of Democracy & Governance (or their authorised representatives).

Sealing

A contract must be sealed where:

- The council may wish to enforce the contract more than six years after its end
- The contract is valued at more than £150,000

Where contracts are completed by each side adding their formal seal, such contracts shall be signed by the Head of Democracy & Governance or authorised nominee.

Every Council sealing will be consecutively numbered, recorded and signed. The seal must not be affixed without the proof that the appropriate authority to enter the contract has been obtained under the scheme of delegation.

Contract Surety

The Officer must consult the Director of Finance about the need for a Parent Company Guarantee (PCG), preferably from the Ultimate Parent Company, where a bidder is a subsidiary of a parent company and:

- The Total Value exceeds £150,000, or
- The award is based on the evaluation of the parent company, or
- There is some concern about the stability of the bidder.

The Officer must consult the Director of Finance about the need for a Bond where:

- The Total Value exceeds £1,000,000, or
- It is proposed to make stage or other payments in advance of receiving the whole of the subject matter of the contract and there is concern about the stability of the bidder.

Where a Bond is required it shall normally be for a sum equal to 10% of the total contract sum. The decision of the Director of Finance on the need for a PCG and / or the need for and the size of a Bond is final.

Remedies for non-performance

Contracts must include provisions for remedies in the event of non-performance including liquidated damages, other financial deductions and termination of the contract.

Every Contract which exceeds £50,000 in value and is for the execution of Works, shall provide for liquidated damages to be paid by the Contractor in respect of any delay in performing such work. This shall not apply where the Director of Finance determines that such remedy is not appropriate or necessary for a particular contract.

Prevention of Corruption

Everyone involved in a procurement process as employees or for or on behalf of the Council must comply with the Code of Conduct on the prevention of corruption. They must not invite or accept any gift, inducement or reward in respect of the evaluation, award or performance of any contract.

Any offer of a gift, inducement or reward must be declared whether or not it was accepted. High standards of conduct and probity are required. Corrupt behaviour is a criminal offence and may lead to dismissal.

Cartels are a potential concern and are a breach of competition law. They can influence the price paid for goods and services by the Council. Any suspicions about such activities must be reported to the Head of Democracy & Governance and the Director of Finance.

The following clause must be put in every written Council contract:

“The Council may terminate this contract and recover all its loss if the Contractor, its employees or anyone acting on the Contractor’s behalf do any of the following things:

- (a) offer, give or agree to give to anyone any inducement or reward in respect of this or any other Council contract (even if the Contractor does not know what has been done), or
- (b) commit an offence under the Bribery Act 2010 or shall have given any fee or reward the receipt of which is an offence under Section 117(2) of the Local Government Act 1972, or
- (c) commit any fraud in connection with this or any other Council contract whether alone or in conjunction with Council members, contractors or employees.

Any clause limiting the Contractor’s liability shall not apply to this clause.”

Declaration of Interests

If it comes to the knowledge of a Councillor, an Employee of the authority or anyone acting as an Agent for or on behalf of the Authority that a contract in which he or she has a personal interest has been awarded or is proposed to be entered into by the council, he or she shall immediately give written notice to the Head of Democracy & Governance.

The Head of Democracy & Governance shall maintain a record of all declarations of interests notified by Councillors and Officers.

The Head of Democracy & Governance will ensure that every councillor signs and receives a copy of the Council’s Code of Conduct for Councillors.

Contract Management

All contracts must have a named contract manager, nominated by the Head of Service, for the entire duration of the contract.

The Head of Service must keep under review the skills and experience required and available for the good management of the contract.

Risk Assessment and Contingency Planning

Where the risk and financial value of the Contract is deemed appropriate, including all those above the EU Thresholds, contract managers must:

- prepare a Business Case
- undertake appropriate Risk Assessments
- maintain a Risk Register during the contract period
- ensure that mitigation and contingency measures are in place
- manage the contract in accordance with best practice
- have regard to end of contract reviews of other similar contracts

Contract Monitoring, Evaluation and Review

All contracts with a value above the EU Thresholds, or which are High Risk, should have a formal monthly or quarterly review with the contractor.

Throughout a contract period the Contract Manager must monitor:

- Contractor's performance
- Compliance with the Specification
- Compliance with the Programme
- Contract costs and Value for Money requirements
- Health and Safety compliance
- Risk Management.
- The Project Plan
- Client's resourcing of the contract

At the end of a contract period the Contract Manager must ensure:

- That all required Works, Supplies and Services have been completed
- The Final Account has been completed
- An End of Contract Review on the standard template has been completed

Late Payment Regulations and Prompt payment of sub-contractors

The Late Payment of Commercial Debts Regulations 2013 requires public authorities to pay within 30 calendar days following receipt of a valid and undisputed invoice. Simple interest is calculated equal to the sum of the Bank of England reference rate plus at least eight percentage points. The creditor is also entitled to a fixed charge of £40, £70 or £100 depending on the size of the debt (under £1,000, under £10,000, and higher), plus additional reasonable costs incurred.

As a public authority the Council, if a debt is not paid within the deadline, is obliged to automatically pay the outstanding amount that includes, daily interest for every day the payment is late based on 8 percentage points above the Bank of England's reference rate plus the fixed amount, depending on the size of the unpaid debt. The onus is on the Officer to pay a supplier on time and the supplier is not obliged to remind you that payment is outstanding.

Officers must include a clause in their contracts that requires contractors to pay their sub-contractors and suppliers within 30 days of receipt of a valid and undisputed invoice. This is to comply with the PCR2015 and to cascade good practice in public procurement supply chains. There must also be a requirement for a sub-contractor to include in any sub-contract which it in turn awards requirements to the same effect.

VAT

To avoid potential VAT loss and to enable the recovery of VAT officers must ensure that VAT invoices are sent and addressed directly to the Council. Officers must avoid situations where a 3rd party receives the taxable supply that the Council subsequently pays where the supporting evidence from a 3rd party shows their payee details. A failure to recover VAT is an unnecessary and additional budget pressure and is a cost to the project / spending department.

SMEs

PCR2015 have provisions to make procurements more accessible for smaller businesses and third sector providers. These include:

- A bar on using PQQs for below threshold procurements
- An encouragement to use Lots for larger contracts
- an obligation to publish opportunities on the Government's Contract Finder website for certain procurements. These include where an opportunity is advertised, so not when exercising a call-off from a framework for example, and where the contract value is over £25,000.

The Regulations require an Award notice to be published on Contracts Finder when:

- an OJEU Award notice is published
- an above EU threshold call-off under a framework is awarded
- a public contract over £25,000 is awarded

The Concession Contracts Regulations 2016

A Concession is a written contract for works or services where the consideration consists in the right to exploit the works or services or in that right together with payment and there is transfer of an operating risk to the concessionaire and a risk of exposure to the vagaries of the market.

The Regulations apply to Works and Services above the EU concessions threshold. The value of a concession is the estimated total turnover, net of VAT, generated by the concessionaire over the duration of the contract. The amount paid by the Council is not relevant. The method for estimating the value should be set out in the concession documents when the concession is advertised.

The Regulations limit the potential duration of concessions. Where the contract will exceed 5 years it cannot exceed the time a concessionaire could reasonably be expected to take to recoup the investment made plus a reasonable return on invested capital.

There is no formal prescribed procurement process but must comply with basic standards and principles and includes selection and award criteria, an OJEU Concession Notice, a standstill period and an OJEU Award notice

PCR2015 Procurement Procedures

The Public Contracts Regulations 2015 procurement procedures apply where the value of a contract exceeds the relevant EU threshold. These thresholds are reviewed from time to time by the EU. Up to date figures and advice on which threshold applies can be confirmed by the Corporate Procurement Manager.

The Regulations define the classification of "Supply", "Service" and "Works" contracts. Where a contract covers more than one classification it is usually classified according to its predominant purpose.

The Regulations define how the value of a contract is assessed for the purposes of the EU Thresholds. The various procurement procedures include some defined timescales which are mandatory. These include minimum times for the receipt of requests to tender and for receipt of tenders.

The OJEU Notice must be submitted in the prescribed form and be published in the Official Journal of the European Union (OJEU). The Corporate Procurement Manager can advise on the application of the Regulations.

Five procurement procedures are available for OJEU procurements regulated by the Public Contracts Regulations 2015:

Choice of Procedures:

Contracting authorities may apply open or restricted procedures or innovation partnerships as regulated.

Contracting authorities may only apply a competitive procedure with negotiation or a competitive dialogue with regard to works, supplies or services fulfilling one or more of the following criteria:

- the needs cannot be met without adaptation of readily available solutions;
- they include design or innovative solutions;
- the requirement is complex in nature, in its legal and financial makeup or because of its risks;
- the technical specifications cannot be established with sufficient precision;
- in response to an open or a restricted procedure where only irregular or unacceptable tenders are submitted.

Open procedure

All interested parties can submit a tender in response to the OJEU Notice. Tenders can be clarified following receipt but changes to the tender and any negotiations are not permitted. The open procedure is preferred but less likely to be appropriate where there is any complexity or if a high number of bids might be received.

Restricted procedure

Interested parties can submit an expression of interest in response to the OJEU Notice. A short listing exercise is carried out using a Pre Qualification Questionnaire (PQQ). Only those meeting the published evaluation criteria can be invited to tender. A minimum of five suppliers must be invited to tender unless fewer suitable candidates have met the criteria and there is sufficient number to ensure genuine competition. Tenders can be clarified following receipt with finalisation of contract terms but changes to the tender and any negotiations are not permitted.

Competitive Procedure with Negotiation (CPN)

Any party may express an interest in tendering and the authority will select potential bidders with whom to negotiate. Minimum requirements are set out at the beginning and cannot be changed during the process. The minimum requirements and the award criteria shall not be subject to negotiation

Only those meeting the required capabilities can be invited to tender. A minimum of three suppliers must be invited to tender unless fewer suitable candidates have met the criteria and there is sufficient number to ensure genuine competition.

Negotiation may take place:

- On all aspects other than the Minimum Requirements, such as quality, quantities, commercial clauses, social, environmental and innovative aspects.
- In stages with successive elimination by applying the award criteria.
- On all tender stages except the final stage, negotiation is not permitted on the final tender.

Competitive Dialogue (CD)

Many of the requirements for Competitive Dialogue are broadly similar to Competition with Negotiation, as noted above.

Final tenders may be clarified, specified and optimised. Negotiations may confirm financial commitments or other terms in the tender that do not materially modify essential aspects of the final tender or risk distorting competition or causing discrimination.

The recitals to the regulations note that CPN and CD should not be used for off-the-shelf services or products which can be provided by many different operators in the market.

It is good practice to have pre-market engagement with current and potential suppliers to identify the technical means of delivering the requirement and / or the legal / financial make-up of the project.

Innovation Partnerships

This procedure is aimed at encouraging the development of innovative products, services or works which are not already available on the market. The procurement process largely follows that for CPN.

Following award the structure of the process covers two parts, the development of the innovative product, service or works and then the purchase of the resulting supplies, services or works.

It should be structured in successive phases with intermediate targets and payments and provide an option to end the contract after each phase. The arrangements applicable to IPR should be set out in the procurement documents.

Version Control Information:

Document Status	Constitution	Mandatory
Document Owner	Head of Democracy & Governance	Carol Chen
Document Manager	Corporate Procurement Manager	Howard Hughes
Review	Annual review due:	July 2017
Version Control	Details	Date
v 1.0 – 4.0	Drafts for consultation	
v 5.0	Approved at Full Council	24 July 2013
v 6.0	Amendment page 4 re HR	Sept 2013
v 7.2	Amendments: CDM, Record of Exemptions, End of Contract actions, VAT, Version Control information added	December 2013
V 8.0	Updates from PCR2015	June 2016

PART A

Report to: Council
Date of meeting: 11 October 2016
Report of: Democratic Services Manager
Title: Appointments Committee

1.0 **Summary**

- 1.1 For Council to agree a revised membership of the appointments committee to that which was agreed at Annual Council.
- 1.2 Council Procedural Rule 1.2 provides for nominations for membership of Committees and Sub-Committees to be made by the political groups as designated under the Local Government (Committees and Political Groups) Regulations 1990.
- 1.3 The Appointments Committee is a politically balanced committee as the Local Government and Housing Act 1989 requires that seats on ordinary committees are allocated with political balance. For the Appointments Committee this is four Liberal Democrat councillors and one Labour councillor. The revised nominations will not affect the political balance.

2.0 **Recommendations**

- 2.1 For Council to agree the following members are appointed to the Appointments Committee in addition to Councillor Taylor (Chair), Councillor Crout and Councillor Dhindsa:
Councillor Stephen Johnson
Councillor Mark Watkin

Contact Officer:

For further information on this report please contact: Caroline Harris,
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Report approved by: Carol Chen, Head of Democracy and Governance
Background papers - Annual Council minutes – 24 May 2016

