

# Agenda

<b>Meeting name</b>	<b>Council</b>
<b>Date</b>	<b>Wednesday, 22 July 2020</b>
<b>Start time</b>	<b>6.30 pm</b>
<b>Venue</b>	<b>By remote video conference</b>
<b>Other information</b>	<b>This meeting is open to the public</b>

Members of the Council are invited to attend the above meeting to consider the following items of business.

**Edd de Coverly**  
**Chief Executive**

## Membership

<b>Councillors</b>	M. Graham MBE (Chair)	P. Faulkner (Vice-Chair)
	T. Bains	R. Bindloss
	R. Browne	S. Carter
	P. Chandler	R. Child
	P. Cumbers	R. de Burle
	J. Douglas	C. Evans
	C. Fisher	A. Freer-Jones
	M. Glancy	A. Hewson
	L. Higgins	E. Holmes
	J. Illingworth	S. Lumley
	J. Orson	A. Pearson
	P. Posnett MBE	D. Pritchett
	R. Smedley	M. Steadman
	J. Wilkinson	P. Wood

**Quorum:** 14 Councillors

<b>Meeting enquiries</b>	Democratic Services
<b>Email</b>	democracy@melton.gov.uk
<b>Agenda despatched</b>	Tuesday, 14 July 2020

No.	Item	Page No.
	<p><b>REMOTE MEETING ARRANGEMENTS</b></p> <p><b>Meeting Participants:</b></p> <p><u>Zoom video conferencing webinar:</u></p> <p>An invitation will be sent to Members for this meeting</p> <p><b>Public Access:</b></p> <p><u>You Tube:</u></p> <p>The meeting will be available to view <a href="#">here</a></p>	
1.	<b>APOLOGIES FOR ABSENCE</b>	
2.	<p><b>MINUTES</b></p> <p>2.1 To confirm the minutes of the meeting held on 26 February 2020</p> <p>2.2 To confirm the minutes of the Annual Meeting held on 14 May 2020</p>	1 - 34
3.	<p><b>DECLARATIONS OF INTEREST</b></p> <p>Members to declare any interest as appropriate in respect of items to be considered at this meeting.</p>	35 - 36
4.	<b>MAYOR'S ANNOUNCEMENTS</b>	
5.	<b>LEADER'S ANNOUNCEMENTS</b>	
6.	<p><b>PUBLIC QUESTION TIME</b></p> <p>In accordance with the Constitution, Members of the Council may answer questions from the public of which notice has been given.</p> <p>No questions were received</p>	
7.	<p><b>CABINET RECOMMENDATIONS TO COUNCIL</b></p> <p>To receive reports from the Cabinet on recommendations referred to the Council for determination</p> <p><b>7.1 TREASURY MANAGEMENT ANNUAL REPORT 2019/20</b> (To follow)</p> <p><b>7.2 GENERAL FUND REVENUE ACCOUNT 2019/20 - PROVISIONAL YEAR END POSITION</b> (To follow)</p>	

8.	<p><b>REVIEW OF CONTRACT PROCEDURE RULES</b>  To consider proposed amendments to the Council's Contract Procedure Rules. The updated Contract Procedure Rules set out the principles, roles and processes involved in procurement at the Council</p>	37 - 82
9.	<p><b>SCRUTINY COMMITTEE ANNUAL REPORT 2019/20</b>  To provide an overview of the work done by Scrutiny Committee during the year 2019/20</p>	83 - 100
10.	<p><b>REVIEW OF POLITICAL BALANCE</b>  To approve the revised political balance calculations and allocation of seats on committees in accordance with statutory requirements (as set out in the report) following an event that alters the political balance between the Groups</p>	101 - 106
11.	<p><b>ESTABLISHMENT OF CONSTITUTION REVIEW WORKING GROUP</b>  To establish an informal working group to assist with the ongoing review of the Constitution and to define the purpose and remit of the Constitution Review Working Group (CRWG)</p>	107 - 118
12.	<p><b>QUESTIONS FROM MEMBERS</b>  In accordance with the Constitution, a Member may ask the Leader, the Chair of the Council or a Committee Chair, a question on any matter in relation to which the Council has powers or duties or which affects the Borough.</p> <p>No questions were received</p>	
13.	<p><b>MOTIONS ON NOTICE</b>  In accordance with the Constitution, motions on notice must be signed by at least two Members and be about matters for which the Council has a responsibility or which affect the Melton Borough. The following three motions have been received and are set out below for the Council's consideration</p>	

13.1

**MOTION - ANTI-RACISM**

Motion proposed by Councillor Orson and Councillor Browne

**The Council resolves :**

**To reaffirm its commitment to promoting equality and fairness for all, and condemns any and all forms of racism; wherever it is found.**

**As a Council to challenge ourselves to do more and commit to do the following**

- **Develop our councillors and workforce and take time to learn more about racism and understand the impact on our communities.**
- **Deliver the objectives set out in the Corporate Equalities Policy;**
- **Ask the Council's Scrutiny Committee to consider the government's recently published "Covid-19: Understanding the impact on BAME communities" report and consider the implications for Council services and the community and make recommendations to Cabinet as to how the Council should respond; and**
- **Designate one elected member as an Equalities Champion who will work with the Council's Equalities lead officer on this agenda, providing further challenge and support to officers, Cabinet and Council as appropriate**

13.2

**MOTION - RELEASE OF SKY LANTERNS AND BALLOONS**

Motion proposed by Councillor Orson and Councillor Freer-Jones

**The Council resolves :**

- **To ban the use and release of sky lanterns and helium balloons meant for release on all Council-owned public open space;**
- **To discourage the release of Sky Lanterns and Helium Balloons at any events licensed by Melton Borough Council and request third parties who lease Council property to observe the ban on balloon and sky lantern releases;**
- **To delegate authority to the Director for Governance and Regulatory Services, in consultation with the Cabinet Member for Climate, Access and Engagement to make any consequential changes to Council policies and agreements in relation to the use of Council land as a result of this motion;**
- **To promote information to local people, leading to better understanding of the damage sky lanterns do**

13.3	<p><b>MOTION - FAIRTRADE</b> Motion proposed by Councillor Smedley and Councillor Orson</p> <p><b>The Council resolves :</b></p> <ul style="list-style-type: none"> <li>• To renew its commitment/commit to achieve 'Fairtrade Community' status.</li> <li>• To actively promote Fairtrade locally, through support for local groups, in the media including social media, and events, including during Fairtrade Fortnight.</li> <li>• To support local Fairtrade Schools and Universities and actively promote Fairtrade teaching materials in local schools and educational institutions.</li> <li>• To celebrate and incentivise businesses championing Fairtrade products in the local community.</li> <li>• To review its procurement policy, including its catering offer, to ensure that Fairtrade produce is chosen wherever possible, and that Fair Trade considerations are included as a preference in any contracts going out to tender</li> </ul>	
14.	<p><b>RECOMMENDATIONS AND REPORTS FROM COMMITTEES</b> There are no recommendations or reports from committees</p>	
15.	<p><b>REPORT ON THE CHIEF EXECUTIVE'S USE OF EMERGENCY POWERS</b> To report on the use of the Chief Executive's Emergency Powers under Section 12.3 of Chapter 2, Part 4 of the Melton Borough Council Constitution (Officer Scheme of Delegation).</p> <p><i>Report to follow</i></p>	

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# Minutes

<b>Meeting name</b>	<b>Council</b>
<b>Date</b>	<b>Wednesday, 26 February 2020</b>
<b>Start time</b>	<b>6.30 pm</b>
<b>Venue</b>	<b>Parkside, Station Approach, Burton Street, Melton Mowbray LE13 1GH</b>

## Present:

**Chair**                      Councillor                      M. Graham MBE  
(Chair)

**Councillors**

P. Faulkner (Vice-Chair)	T. Bains
R. Bindloss	R. Browne
S. Carter	P. Chandler
R. Child	P. Cumbers
R. de Burle	J. Douglas
C. Evans	C. Fisher
A. Freer-Jones	A. Hewson
L. Higgins	E. Holmes
J. Illingworth	S. Lumley
J. Orson	A. Pearson
P. Posnett MBE	D. Pritchett
R. Smedley	M. Steadman
J. Wilkinson	P. Wood

**Officers**

Chief Executive  
Deputy Chief Executive & Director for People & Communities  
Director for Corporate Services  
Director for Growth and Regeneration  
Corporate Services Manager  
Legal & Governance Manager (Deputy Monitoring Officer)  
Democratic Services Manager  
Democratic Services Officer (CR)

The Reverend Kevin Ashby offered prayers.

<b>Minute No.</b>	<b>Minute</b>
CO58	<p><b>APOLOGIES FOR ABSENCE</b> An apology for absence was received from Councillor Glancy.</p>
CO59	<p><b>MINUTES</b> The minutes of the meeting held on 18 December were confirmed and authorised to be signed by the Mayor.</p>
CO60	<p><b>DECLARATIONS OF INTEREST</b> Councillors Orson, Pearson and Posnett each declared a personal interest in any matters relating to the Leicestershire County Council due to their roles as County Councillors.</p> <p>Councillor Orson also declared a personal interest in relation to Item 8 as Chairman of LLR Police and Crime Panel where the precept for the Police and Crime Commissioner was approved.</p> <p>Councillor Carter declared a pecuniary interest in relation to Item 7, Recommendation 2.3 as a council tenant. He would leave the meeting during debate and decision on this item.</p> <p>Councillor Illingworth declared an interest pursuant to S.106 of the Local Government and Finance Act 1992. He would leave the meeting during debate and decision on this item.</p>
CO61	<p><b>MAYOR'S ANNOUNCEMENTS</b> The Mayor had been pleased to present a cheque for £27,668 to his Charity – Rainbows Children's Hospice. This money had been raised by the "Jumping Grahams" a charity parachute jump that Councillor Graham and his family had organised and partaken in.</p> <p>The Mayor reminded Members of the Charity Race Night which he had organised with the assistance of Councillor Child. This event would take place on 19<sup>th</sup> March and Councillor Graham reminded members to indicate if they were attending as soon as possible so that arrangements could be finalised.</p>
CO62	<p><b>LEADER'S ANNOUNCEMENTS</b> The Leader provided the following announcement:</p> <p><i>The last Council meeting took place just before Christmas, shortly after the General Election, and early in the New Year I had the pleasure of welcoming our new MP Alicia Kearns to Parkside for a very productive first meeting. We have already identified a number of significant areas where we will be working together and have already taken significant steps forward in one of our key commitments. Our aspiration to deliver a second surgery for Melton has been strongly supported by our new MP, so much so that she has already gained the support of the Prime</i></p>



*Minister. We are due to be meeting with the CCG again shortly and will continue to make the case for choice and improved health services for our residents. We also look forward to welcoming the Prime Minister to Melton following his agreement to take up our MPs invitation.*

*On tonight's agenda we present our Corporate Strategy; an ambitious plan to help reshape our community and ensure our council is sustainable and fit for the coming decade. Our strategy proposes unprecedented investment in council housing services a greater focus on customer services and a commitment for this council to become carbon neutral by 2030. It puts resources into further increasing our ability to tackle anti-social behaviour, whilst also strengthening our corporate assets team so we can build more homes, support more jobs and help regenerate our town centre; as well as secure the income we need to ensure our financial sustainability. It is a bold plan, but any aspirations must be supported with the right resources and tonight we also present our Council Tax and budget proposals, which for the first time in 5 years will deliver a surplus against ongoing expenditure. At a time which the finances continue to be a challenge and the future funding settlement remain unclear, this is a fantastic achievement, particularly when you consider all we are seeking to do through our strategy. I was grateful for the extensive and robust discussions we had at Scrutiny in relation to our proposals and thank the Chair of Scrutiny for her diligence in leading such an effective process.*

*Our focus on council homes remains our top priority. Tonight we seek approval for rent setting, a new set of service charges and our Interim HRA Business Plan; the financial basis of our Housing Improvement Plan. We are committed to undertaking a full stock condition survey over the next two years and this will form the basis of a new 30 year business plan which will be produced in 2022. Our rent proposals seek to ensure the sustainability of our investment proposals and HRA; as do our service charge proposals which represent a first step towards a more comprehensive policy which we will bring back later in the year. We continue to actively monitor progress on bridging the gaps in compliance we identified last year and only today I chaired the latest Housing Improvement Board meeting where we received positive progress updates. Last week we had a further contact from the Regulator following our referral to them in October and once we've provided them with some further information next week I would expect we will receive their assessment of our position by mid March. As we know we have had some significant historical challenges and while there is still a way to go we have taken significant strides forward since last Autumn. On that note I am delighted to welcome Andrew Cotton, our new Director for Housing and Communities who is here tonight and will be leading the improvement journey. Andrew joins us formally in early April. One key challenge in effectively managing our stock has been reliable data and tonight another report before is the proposed investment in a new IT Housing system which will more effectively enable this to happen. Approval of this tonight will represent another important step as we look not only to improve, but to do so at pace.*

*In terms of the wider agenda, you will be aware of our track record of working collaboratively with our neighbouring district and borough councils. As we await the*

*government's Devolution White Paper we want to ensure we are best positioned to take advantage of any new funding settlement or arrangements. You will have seen from the recent letter signed by all District Leaders that we continue to encourage the County Council to work with us and to abandon their unsupported plans for a single unitary for Leicestershire. To further strengthen our district-led partnership we have agreed to form two strategic alliances; with Melton forming part of the Northern Leicestershire Strategic Alliance along with Charnwood and North West Leicestershire Councils. This strategic partnership will build on existing collaboration and will help co-ordinate important work on issues like reducing our carbon footprint, improving services and strengthening our town centres. The groupings are not hard lines on a map or formal arrangements but provide a further opportunity for councils to come together and work on shared services and shared agendas.*

*One area where we may wish to collaborate further is in encouraging more tourism to the area. I recently had the pleasure of joining the MP and a delegation from the Council on a visit to Belvoir Castle. It was great to hear their aspirations to work with us and increase links to the Rural Capital of Food and play their part in our place partnership work. To further support this work we are currently making preparations to hold a tourism forum where we look forward to launching the new Discover Melton website and I look forward to sharing more information about this with all members in due course.*

**CO63 PUBLIC QUESTION TIME**  
 No questions had been received from members of the public.

**CO64 CABINET RECOMMENDATIONS TO COUNCIL**

**1) A NEW CORPORATE STRATEGY 2020-2024**

The Leader moved the recommendations in the report and provided the following introduction:

Following the District Council elections in May 2019, the council had taken the opportunity to consider what the focus should be over the next 4 years. Working with all members, officers and the community the Cabinet were proud to have developed an ambitious new strategy which makes commitments to significantly invest in our housing services, environmental enforcement, improving customer services and delivering the homes, jobs and infrastructure the Borough requires. It also directly responded to the issues heard on doorsteps, during the election campaign, as well as those highlighted in the extensive 2019 residents' survey.

At a time of significant financial pressures, there was a need to prioritise and redirect resources to different areas. With this in mind, the new strategy sought to find a balance between affordability and ambition, a balance between investing in core services and in new initiatives.

The strategy would be underpinned by the vision to “become a first-class council; on the side of our communities and providing great service, where the customer comes first. We want to help people reach their potential, support the most vulnerable, and protect our rural environment. We want to provide more and better homes, create better jobs and regenerate the town. We want to ensure Melton prospers, benefiting those who live here and attracting others to visit and invest.”

As well as drawing upon the residents’ survey, the Council had consulted on the proposals during December 2019 and received positive feedback on our new priorities and key investment decisions.

These aspirations had been built into the budget and medium term financial strategy also before members on the agenda.

The Leader was very proud of the strategy and of what it would seek to achieve for residents and was delighted to recommend it to council for adoption.

The recommendation was seconded by Councillor Higgins.

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Councillor Illingworth left the meeting.

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During debate of the recommendations points raised included:

- i. Councillor Browne thanked those that had worked to develop the Corporate Plan and noted its ambition to deliver to residents and communities with Council Housing being a key priority. Delivery of growth and regeneration was welcomed. The vision to increase employment opportunities and improve skills would be a challenge but was a positive aspiration. Focusing on early years and focused intervention was key to ensuring that young people had the opportunity to learn and develop. Schemes such as Me and My Learning would be key to this. Working towards an environment where intervention services would help to tackle social issues and promote inclusivity and contribute to this key priority.
- ii. Councillor Child welcomed the proposals to invest in commercial property to achieve long term growth and regeneration. Such investments would require case by case analysis.

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Councillor Holmes left the meeting.

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- iii. Councillor Posnett commended some of the schemes that had contributed to increasing opportunities and support for young people such as Me and My Learning; Sure Start Centres; and the Learning Hub. There were many good examples of positive outcomes

- attributable to these valuable services;
- iv. Councillor Evans highlighted that the Cabinet were in a difficult situation, the Council had been struggling for some years and he hoped that this Strategy would provide some solutions. He pointed out that this was still not wholly inclusive as it referred to “Melton”, where it should refer to the “Borough” as otherwise those living in rural areas outside of the town would feel excluded.
  - v. Councillor Higgins highlighted that he represented both the rural areas and the town and that the Strategy was inclusive and aimed at improving services and living conditions in the whole Borough. There were many initiatives to support rural areas, such as the Rural Pub Support Package which was being looked at. There were also events and celebrations which were held in the Town, but were very much directed to attracting people from both the town and villages.

### **RESOLVED**

To **APPROVE** the new Corporate Strategy 2020-2024.

The above resolution was voted as follows:

#### **FOR THE MOTION (20)**

Bains, Bindloss, Browne, Chandler, Child, Cumbers, de Burle, Douglas, Faulkner, Fisher, Freer-Jones, Graham, Higgins, Lumley, Orson, Pearson, Posnett, Smedley, Steadman, Wilkinson.

#### **AGAINST THE MOTION (0)**

#### **ABSTAINING FROM THE MOTION (5)**

Carter, Evans, Hewson, Pritchett, Wood.

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Councillor Holmes returned to the meeting.

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## **2) INTERIM HRA BUSINESS PLAN JANUARY 2020**

The Portfolio Holder for Housing and Communities introduced and moved the recommendations in the report. The Portfolio Holder provided a short introduction confirming that this was an interim plan with a full 30 year plan expected to be developed by Autumn 2022. The business plan was critical in ensuring that maintenance of high quality housing assets, focus on customer service and improving homes and neighbourhoods could be delivered in a financially sustainable way. The Housing Improvement Plan had already brought about significant changes, but there was still much to do. The interim business plan retained focus on project areas and prioritised compliance; stock condition; housing delivery; and customer care.

The recommendation was seconded by Councillor Orson.

## RESOLVED

- a) To **APPROVE** the Interim HRA Business Plan as set out in Section 6 of the report.
- b) To **APPROVE** the proposed Capital programme as proposed in Appendix A of the report.

The above resolutions were voted as follows:

FOR THE MOTION (26)

Bains, Bindloss, Browne, Carter, Chandler, Child, Cumbers, de Burle, Evans, Douglas, Faulkner, Fisher, Freer-Jones, Graham, Hewson, Higgins, Holmes, Lumley, Orson, Pearson, Posnett, Pritchett, Smedley, Steadman, Wilkinson, Wood.

AGAINST THE MOTION (0)

ABSTAINING FROM THE MOTION (0)

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Councillor Carter left the meeting.

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### 3) REVENUE BUDGET PROPOSALS 2020-21 - HOUSING REVENUE ACCOUNT (HRA)

The Portfolio Holder for Housing and Communities introduced and moved the recommendations in the report. The Portfolio Holder provided a brief summary of the recommendations and advised that provision and availability of high quality social housing also had a positive impact on the private rental and housing market.

The recommendation was seconded by Councillor Orson.

During debate of the recommendations points raised included:

- i. Councillor Evans confirmed that he wholly supported the revitalisation of the housing stock and had faith in the Portfolio Holder and the newly appointed Director for Housing and Communities to deliver the required improvements as a matter of urgency.

## RESOLVED

- a) To **APPROVE** the estimates for 2020-21 subject to receipt of the rent standard, with delegated authority being given to the Portfolio Holder for Housing & Communities in consultation with the Director for Corporate Services to amend the estimated working balance based on any changes to this standard;

- b) To **APPROVE** an average rent increase of 2.69% for all Council dwellings for 2020-21 with effect from 1 April 2020 and that when a property is re-let the rent continues to be brought into line with the Government's formula rent;
- c) To **APPROVE** a delegation to the Director for Housing & Communities in consultation with the Director for Corporate Services to access the Regeneration & Development Reserve balance for schemes and projects supporting the HAMP and in line with the HRA Business Plan.

The above resolutions were voted as follows:

FOR THE MOTION (25)

Bains, Bindloss, Browne, Chandler, Child, Cumbers, de Burle, Evans, Douglas, Faulkner, Fisher, Freer-Jones, Graham, Hewson, Higgins, Holmes, Lumley, Orson, Pearson, Posnett, Pritchett, Smedley, Steadman, Wilkinson, Wood.

AGAINST THE MOTION (0)

ABSTAINING FROM THE MOTION (0)

#### **4) CAPITAL PROGRAMME AND CAPITAL STRATEGY 2020/21**

The Portfolio Holder for Corporate Finance and Resources moved the recommendations in the report and provided the following introduction:

*I'm pleased to present the proposed Capital Programme for 2020/21 along with the updated Capital Strategy which has been recommended for approval by Cabinet.*

*The report outlines the proposed capital schemes for the forthcoming year along with how the schemes will be funded. This covers the capital programmes for the general Fund only with the Housing Revenue Account being presented as part of the interim HRA business plan.*

*The capital programme is integral to the council's budget framework and sits alongside the Treasury Management and Capital Strategies.*

*In particular the requirement for an updated Capital Strategy has been a key focus for the council over recent months in order to provide an overarching document which sets the policy framework for the development, management and monitoring of capital investment. The capital strategy seeks to align with the priorities set out in the Corporate Plan. The Strategy aims to drive the authority's capital investment ambition whilst ensuring capital expenditure and its associated financing are sustainable in the long term.*

*However, members may have noticed that the capital programme is*

*relatively light which is a reflection of the need for condition surveys to be undertaken on Councils assets to help inform the future capital requirements. Officers will prioritising this work during 2020 with any associated capital requirement arising from this work being presented to members in due course as the capital programmes and strategies are further developed.*

*Future resources available to support further capital aspirations will be influenced by an Asset Disposal Policy. The developing Investment Strategy will consider strategic regeneration initiatives and the potential for commercial investment supported by borrowing.*

The recommendation was seconded by Councillor Orson.

### **RESOLVED**

- a) To **APPROVE** funding for capital schemes in respect of General Expenses for 2020/21 and the sources that funding will be taken from, be as set out in Appendix A.
- b) To **APPROVE** the Capital Strategy at Appendix C.

The above resolutions were voted as follows:

#### FOR THE MOTION (20)

Bains, Bindloss, Browne, Chandler, Child, Cumbers, de Burle, Douglas, Faulkner, Fisher, Freer-Jones, Graham, Higgins, Lumley, Orson, Pearson, Posnett, Smedley, Steadman, Wilkinson.

#### AGAINST THE MOTION (0)

#### ABSTAINING FROM THE MOTION (6)

Carter, Evans, Hewson, Holmes, Pritchett, Wood.

### **5) GENERAL FUND REVENUE BUDGET 2020/21 AND MEDIUM TERM FINANCIAL STRATEGY 2020/21 TO 2023/24**

The Portfolio Holder for Corporate Finance and Resources moved the recommendations in the report and provided the following introduction:

*Melton Borough Council like many council's has lost significant funding in the last few years and continuing to provide the same services going forward without reviewing these is not an option if the council is going to balance its budget and focus limited financial resources in our priorities. In order to address this Members are approving a new corporate plan following consultation with our residents to ensure our budget and future investment decisions are built upon a new vision and priorities that will guide us in shaping a better future for Melton.*

*Growth and investment in housing, enforcement and service improvement is proposed in line with the new Strategy, but through redirecting resources and anticipated additional income and efficiencies delivered, it is proposed that there will be no draw on reserves to fund ongoing expenditure*

*The key elements in the budget proposed are:*

- *A balanced budget is set 2020/21*
- *Overall council tax increase of £5 the maximum allowed for a district council*
- *Recurring Expenditure growth on the general fund of £46,780*
- *One off growth expenditure of £158,750 (£100k funded from LLEP grants)*

*There is still much uncertainty regarding the council's finances as evidenced by the forward projections set out in the report. A review is underway of local government funding which will consider how scarce resources are distributed between the various local government tiers and individual authorities. Whilst a case has been made for the lack of funding in rural areas such as Melton, as a district we do not have the pressures of social care and children's services and central government will be looking to ensure these demand led services are adequately resourced from what will be a limited pot of funding for the sector. As such the Council needs to be prudent and ensure it can secure a sustainable financial position moving forward.*

*As a result of funding reductions the council has seen its reserves depleted due to the need to invest in key areas and deliver its capital programme, but the position has stabilised, with the budget for 2020/21 being a balanced one with no draw on reserves to fund ongoing expenditure. The government are also undertaking a Fair Funding Review around how councils are funded in the future which could have a further significant impact on the council's financial position moving forward. The council will also continue to explore opportunities to become more commercial as a way of helping to become more self-sufficient.*

*The risks in the report clearly show the extent of risk that now affects local authority budgets.*

The recommendation was seconded by Councillor Orson.

## **RESOLVED**

- a) To **APPROVE** the proposals for General Expenses and Special Expenses MM as set out in Appendix A (i) and (ii) and summarised in paras 6.10 to 6.12 for inclusion in the 2020/21 budget resulting in the estimates set out in Appendix B;
- b) To **APPROVE** the revenue budget for 2020/21 for General and Special



Expenses as set out in Appendix B resulting in an overall council tax increase of £5, the individual council tax levels being as set out in para 6.12;

- c) To **APPROVE** that the permanent establishment be updated in line with the growth proposals;
- d) To **APPROVE** that any increase or shortfall against the target working balance on General Expenses at 31 March 2020 be adjusted by transfers to/from the Corporate Priorities Reserve and for Special Expenses Melton Mowbray any surplus/deficit be transferred to/from the Special Expenses Reserve;
- e) That members **NOTE** the changes made to the risk categorisation of budgets as set out in para 6.14 and Appendix D.

The above resolutions were voted as follows:

FOR THE MOTION (20)

Bains, Bindloss, Browne, Chandler, Child, Cumbers, de Burle, Douglas, Faulkner, Fisher, Freer-Jones, Graham, Higgins, Lumley, Orson, Pearson, Posnett, Smedley, Steadman, Wilkinson.

AGAINST THE MOTION (0)

ABSTAINING FROM THE MOTION (6)

Carter, Evans, Hewson, Holmes, Pritchett, Wood.

## **6) PRUDENTIAL INDICATORS AND TREASURY MANAGEMENT STRATEGY 2020/21**

The Portfolio Holder for Corporate Finance and Resources moved the recommendations in the report and provided the following introduction:

*I am pleased to present the annual treasury management strategy for 2020/21 alongside the prudential indicators which is a key strategy for the Council that sits alongside annual budget report and capital strategy which are being presented to Council elsewhere on the agenda this evening.*

*This report outlines the Council's prudential indicators for 2020/21 – 2022/23 and sets out the expected treasury operations for this period covering the legislation requirements placed upon the Council to manage its Treasury function effectively.*

*These policies and parameters provide an approved framework within which the officers undertake the day to day capital and treasury activities.*

*I am not proposing to go through all of the indicators and information in detail but the Director for Corporate Service and the Corporate Services Manager will be happy to answer any specific queries.*

*The Treasury Management Strategy is attached as Appendix A and covers the operation of the treasury function and its activities for the forthcoming year and reflects the Council's capital and commercial investment strategies. Officers have reviewed and taken advice from the Council's treasury management advisors when developing the strategy.*

*Two new areas have been included:*

*1. Sustainable and Ethical Investments*

*The Council recognises the importance of supporting sustainability and ethical investments and will be taking these issues in account when considering its investments.*

*2. Multi Asset Funds*

*This investment option has been added in as another long term investment option which will provide a greater level of return which would sit between the normal banking deposit returns and that of the property fund. This provides some more flexibility for investments over the medium term.*

*I would also like to highlight in terms of investment performance the Council is currently achieving an average rate of return of nearly 1.24% which is very good in the current economic environment with bank rates remaining low. Through effective management of the treasury portfolio officers are forecasting an additional £60k in additional investment returns during 2019/20 compared to the original budget.*

The recommendation was seconded by Councillor Orson.

During debate of the recommendations points raised included:

- i. Councillor Child confirmed his understanding that any commercial strategy and funding requirements in relation to the housing company would come back to Council for approval.

**RESOLVED**

- a) To **ADOPT** and **APPROVE** the prudential indicators and limits.
- b) To **ADOPT** and **APPROVE** the Treasury Management Strategy and treasury management prudential indicators.
- c) To **APPROVE** the Minimum Revenue Provision (MRP) Statement which sets out the Council's policy on MRP.

The above resolutions were voted as follows:

FOR THE MOTION (26)

Bains, Bindloss, Browne, Carter, Chandler, Child, Cumbers, de Burle, Douglas, Evans, Faulkner, Fisher, Freer-Jones, Graham, Higgins, Hewson, Holmes, Lumley, Orson, Pearson, Posnett, Pritchett, Smedley, Steadman, Wilkinson, Wood.

AGAINST THE MOTION (0)

ABSTAINING FROM THE MOTION (0)

CO65

**COUNCIL TAX SETTING 2020/21**

The Leader moved the recommendations and provided a brief introduction of the report which enabled the Council to calculate and set the Council Tax for 2020/21. The Leader highlighted that the proposed average Council Tax increase for Melton Borough Council was 2.47%.

Councillor Higgins seconded the recommendation in the report.

During debate of the recommendations points raised included:

- i. Councillor Evans noted that the reduction in local government funding had led to consistent increases in the level of council tax in order to ensure the council could continue to deliver services. This had an impact on residents who struggled to pay council tax.
- ii. Councillor Pearson highlighted that the government was being lobbied for fairer funding.
- iii. Councillor Higgins supported the increase in order to provide additional funds to unlock the potential of the Town and the Borough and to ensure that essential services could be delivered.

**RESOLVED**

To **NOTE** the calculations and **APPROVE** setting of the Council Tax for the year 2020/21 made in accordance with regulations set out in the Local Government Finance Act 1992.

The above resolution was voted as follows:

**FOR THE MOTION (26)**

Bains, Bindloss, Browne, Carter, Chandler, Child, Cumbers, de Burle, Evans, Douglas, Faulkner, Fisher, Freer-Jones, Graham, Hewson, Higgins, Holmes, Lumley, Orson, Pearson, Posnett, Pritchett, Smedley, Steadman, Wilkinson, Wood.

**AGAINST THE MOTION (0)**

**ABSTAINING FROM THE MOTION (0)**

--o0o--

Councillor Illingworth returned to the meeting.

Councillor Browne left the meeting.

--o0o--

CO66

**PAY POLICY STATEMENT**

The Portfolio Holder for Corporate Finance and Resources moved the recommendation in the report and provided a brief summary of the report, setting out that it was a requirement under the Localism Act 2011.

Councillor Orson seconded the recommendation in the report.

**RESOLVED**

To **APPROVE** and publish the Pay Policy Statement for 2020/21 at Appendix A.

The above resolution was voted as follows:

**FOR THE MOTION (26)**

Bains, Bindloss, Carter, Chandler, Child, Cumbers, de Burle, Evans, Douglas, Faulkner, Fisher, Freer-Jones, Graham, Hewson, Higgins, Holmes, Illingworth, Lumley, Orson, Pearson, Posnett, Pritchett, Smedley, Steadman, Wilkinson, Wood.

**AGAINST THE MOTION (0)**

**ABSTAINING FROM THE MOTION (0)**

--o0o--

Councillor Browne returned to the meeting

--o0o--

CO67

**QUESTIONS FROM MEMBERS**

In accordance with procedure rule 13.2, the following question was received from Councillor Evans :

*Does the Leader of the Council agree with me that the way Leicestershire County Council has recently decided to drastically cut the sponsored rural bus services throughout Melton Mowbray Borough is appalling and that the Council should communicate our concern in the strongest terms possible?*

The Leader responded as follows :

*The changes to the subsidised bus services follow quite extensive consultation by the County Council, firstly on its overall Passenger Transport Policy And Strategy in 2018, and more recently the specific changes to subsidised routes in the course 2019. This included activity in Melton including a drop in session held here in these offices.*

*Leicestershire County Council explained that the motivations for making changes are many and various, but made no secret that financial pressures were a significant part of the consideration. 'Cutting one's cloth' to respond to financial pressures is of course familiar to us and we know first-hand how it means you have*

to face up to difficult decisions.

*Whilst he agreed that the reductions to bus services would ideally be avoided, he noted in the detail that they were based on a detailed analysis of the use and cost of the services and this was not a wholesale stripping out of services. Whilst reduced in frequency, in the main services would be retained. In Councillor Evans' area for example, there would remain a 2 hourly service from Melton to Bottesford but a direct link to Bingham would be lost.*

*Therefore whilst he had sympathy for the concerns raised in the question, he also had sympathy for the County Council who like Melton faced difficult challenges balancing their budget. The County Council had committed to review the services annually and Melton would therefore have the opportunity to try to influence the position in the future.*

Councillor Evans asked the following supplementary question:

*I take it from the Leader's response that he is endorsing this cut? I have to say I am appalled as I know people who have lost jobs, also there are old people who can no longer get to their GP Surgery. The consultation on the changes was insufficient.*

The Leader responded that Councillor Evans had been misinformed regarding the consultation and that a full consultation had been conducted in 2016.

CO68

**MOTIONS ON NOTICE**

In accordance with the Constitution, motions on notice must be signed by at least two Members and be about matters for which the Council has a responsibility or which affect the Melton Borough.

The following motion was received from the Leader of the Council and Councillor Faulkner:

Following the Government's adoption of the International Holocaust Remembrance Alliance (IHRA) definition in 2017, Government has been encouraging Councils to formally adopt the definition as a clear message that antisemitic behaviour will not be tolerated. The Secretary of State wrote to all Council Leaders on 15 October 2019 to explain the need to take urgent action. I therefore encourage the Council to respond positively to this motion as this also fits with our recently adopted Equality Scheme and the Council's aspirations to champion diversity across the Borough.

Hatred, and particularly religious hatred, in all forms, is not something that should be tolerated in our society. Whilst there have been instances of hatred appallingly directed at several religions, worryingly there is an upward national trend in antisemitic hatred that must not be tolerated.

The United Nations Special Rapporteur on Freedom of Religion or Belief recently

released a report which agreed that the IHRA Working Definition of Antisemitism can offer valuable guidance for identifying antisemitism in its various forms.

The IHRA definition is as follows:

‘Antisemitism is a certain perception of Jews, which may be expressed as hatred toward Jews. Rhetorical and physical manifestations of antisemitism are directed toward Jewish or non-Jewish individuals and/or their property, toward Jewish community institutions and religious facilities’.

This definition is encouraged in its use in ‘education, awareness-raising and for monitoring and responding to manifestations of antisemitism’.

Therefore the following motion was proposed by Councillor Orson, seconded by Councillor Faulkner and carried at the vote:

(1) Melton Borough Council agrees with the International Holocaust Remembrance Alliance working definition of anti-semitism:

‘Antisemitism is a certain perception of Jews, which may be expressed as hatred toward Jews. Rhetorical and physical manifestations of antisemitism are directed toward Jewish or non-Jewish individuals and/or their property, toward Jewish community institutions and religious facilities’;

(2) Council notes that :

We have both a legal and a moral duty to show fairness and equality to our residents, our service users and our employees. We currently have systems in place to ensure that antisemitism is not tolerated within our District. These include our commitment to hate incident/crime reporting and also our Equality Plan, whilst these are not specific to antisemitism they both ensure that antisemitism is not tolerated. Through either of these channels we would expect any antisemitism to be identified and challenged appropriately. Antisemitism is covered under the characteristic ‘religion and belief’ in both hate incident/crime reporting and the Equality Act 2010;

(3) Subject to approval of recommendation (1) that as per the request from the Secretary of State the Council’s Democratic Services Manager be authorised to inform him of the Council decision.

The above resolution was voted as follows:

FOR THE MOTION (27)

Bains, Bindloss, Carter, Chandler, Child, Cumbers, Browne, de Burle, Evans, Douglas, Faulkner, Fisher, Freer-Jones, Graham, Hewson, Higgins, Holmes, Illingworth, Lumley, Orson, Pearson, Posnett, Pritchett, Smedley, Steadman, Wilkinson, Wood.

AGAINST THE MOTION (0)

	ABSTAINING FROM THE MOTION (0)
CO69	<p><b>RECOMMENDATIONS AND REPORTS FROM COMMITTEES</b></p> <p>There were no recommendations or reports from Committees.</p>
	<p><b>EXCLUSION OF THE PUBLIC</b></p> <p>The Mayor confirmed that the meeting would remain in public session unless detailed debate on the exempt appendix to Item 13 was required.</p>
CO70	<p><b>HOUSING IMPROVEMENT PLAN - IT SYSTEM INVESTMENT AND INTEGRATION PROJECT</b></p> <p>The Portfolio Holder for Housing and Communities moved the recommendations and provided a brief introduction to the report. The Portfolio Holder confirmed that the current Housing Management IT system was no longer fit for purpose and that an improved system was crucial in achieving the ambitions set out in the Housing Improvement Plan.</p> <p>The Portfolio Holder noted that the Recommendation 2.5 should read: <i>Delegates authority to the Chief Executive to call off and award the Contract</i></p> <p>Councillor Orson seconded the recommendations in the report.</p> <p>During debate of the recommendations points raised included:</p> <ul style="list-style-type: none"> <li>i. Councillor Evans was in support of the proposals and noted that it was important to ensure that relevant information about individual properties could be accessed so that the council had a complete picture.</li> <li>ii. Councillor Orson congratulated all those members that had voted to prioritise council housing through the Housing Improvement Plan.</li> </ul> <p><b>RESOLVED</b></p> <ul style="list-style-type: none"> <li>a) To <b>APPROVE</b> the use of the CCS Framework for a Housing Management System subject to the solution offered by Northgate Public Services meeting the Council's requirements;</li> <li>b) To <b>APPROVE</b> the addition of £237k to the 2020-21 capital programmes (£143k to be funded from the HRA Regeneration &amp; Development reserve and £94k from Capital Receipts);</li> <li>c) To <b>APPROVE</b> £7,500 one off revenue costs to be added to the 2020-21 revenue budgets (£4,470 to be funded from the HRA Regeneration &amp; Development reserve and £3,030 from the Flexible Homelessness Support grant;</li> <li>d) To <b>APPROVE</b> ongoing annual revenue costs of £93,822 for the new contract from 2020-21 be added into the revenue budget. £74,492 to be funded from the HRA Regeneration &amp; Development Reserve and the remaining general fund element to be funded by the Homelessness Support Grant with virements to be completed in line with the Financial Procedure Rules;</li> </ul>

e) **DELEGATED** authority to the Chief Executive to call off and award the Contract.

The above resolution was voted as follows:

**FOR THE MOTION (27)**

Bains, Bindloss, Carter, Chandler, Child, Cumbers, Browne, de Burle, Evans, Douglas, Faulkner, Fisher, Freer-Jones, Graham, Hewson, Higgins, Holmes, Illingworth, Lumley, Orson, Pearson, Posnett, Pritchett, Smedley, Steadman, Wilkinson, Wood.

**AGAINST THE MOTION (0)**

**ABSTAINING FROM THE MOTION (0)**

The meeting closed at: 8.23 pm

Mayor



# Minutes

<b>Meeting name</b>	<b>Annual Meeting of the Council</b>
<b>Date</b>	<b>Thursday, 14 May 2020</b>
<b>Start time</b>	<b>6.30 pm</b>
<b>Venue</b>	<b>Held by remote video conference</b>

## Present:

**Chair** Councillor M. Graham MBE (Mayor)

**Councillors**

P. Faulkner (Vice-Chair)	T. Bains
R. Bindloss	R. Browne
S. Carter	P. Chandler
R. Child	P. Cumbers
R. de Burle	J. Douglas
C. Evans	C. Fisher
A. Freer-Jones	M. Glancy
A. Hewson	L. Higgins
E. Holmes	J. Illingworth
S. Lumley	J. Orson
A. Pearson	P. Posnett MBE
D. Pritchett	R. Smedley
M. Steadman	J. Wilkinson
P. Wood	

**Officers**

Chief Executive  
 Director for Corporate Services  
 Director for Governance and Regulatory Services and Monitoring Officer  
 Director for Growth and Regeneration  
 Director for Housing and Communities  
 Assistant Director for Planning and Delivery  
 Democratic Services Manager  
 Democratic Services Officer (SE)

The Reverend Kevin Ashby offered prayers.

Minute No.	Minute
	<p><b>MAYOR'S INTRODUCTION</b></p> <p>The Mayor announced that as the meeting was to be held as a remote conference on Zoom, any Member participating by remote link who declared an interest in any item of business in terms which required them to leave the room must ensure that they cannot be seen or heard during the agenda item.</p> <p>He explained the process for connection failure and that should the link not be re-established before the end of the meeting then the presumption would be that the meeting should continue to deal with the item providing the meeting remains quorate. Should the meeting no longer be quorate the meeting shall be adjourned and any remaining items of business would be deferred. Any Member who had been absent from the debate on a particular item due to connection failure must abstain from the vote on that item.</p> <p>The Mayor explained that Members would use the functionality of the software to speak and each Member would be asked in turn for their vote at the appropriate time.</p> <p>Should the meeting not have ended by 8 pm all those present may take part in the Clap for our Carers campaign to applaud and recognise NHS staff on the frontline against coronavirus.</p> <p>He advised that the meeting would be recorded and live-streamed on You Tube.</p>
CO1	<p><b>APOLOGIES FOR ABSENCE</b></p> <p>There were no apologies for absence.</p>
CO2	<p><b>DECLARATIONS OF INTEREST</b></p> <p>The Mayor reminded Members that they were not required to declare an interest in item 12, Review of Members' Allowance Scheme as there was an exemption in place that enabled them to take part in this item.</p> <p>Councillors Orson, Pearson and Posnett each declared a personal interest in any matters relating to the Leicestershire County Council due to their roles as County Councillors.</p> <p>Councillor Holmes reported that she would abstain from voting on the Chairs and Vice Chairs roles as she was related to one of the Councillors nominated.</p>
CO3	<p><b>ELECTION OF MAYOR AND DEPUTY MAYOR</b></p> <p>The Mayor handed over the Chair to the Chief Executive who explained :</p> <p><i>'In light of the current national pandemic and restrictions in relation to social distancing, consultation has taken place with the Mayor and Deputy Mayor on arrangements for the coming municipal year. The Mayor and Deputy Mayor are in</i></p>

	<p><i>agreement that due to the majority of Civic Events having been cancelled at present and uncertainty about when the Civic Calendar will be able to resume, along with the restrictions on meetings in person and therefore the inability to proceed with the ceremonial aspect of the Mayor making, it would be prudent to retain the current arrangements for the time being if Council were agreeable with this proposal.'</i></p> <p>Councillor Orson proposed that Council approves the current arrangements for the Mayor and Deputy Mayor should remain in place until such time as current national restrictions in relation to the Coronavirus Pandemic are lifted or until the expiry of a period of 6 months, whichever occurs sooner.</p> <p>Councillor Higgins seconded the motion.</p> <p><b>RESOLVED</b> That Council approves the current arrangements for the Mayor and Deputy Mayor should remain in place until such time as current national restrictions in relation to the Coronavirus Pandemic are lifted or until the expiry of a period of 6 months, whichever occurs sooner.</p> <p>(Unanimous)</p> <p>(The Mayor in the Chair.)</p>
CO4	<p><b>MAYOR'S ANNOUNCEMENTS</b></p> <p>The Mayor</p> <ul style="list-style-type: none"> <li>• thanked Members for their support in allowing him to continue as Mayor for the time being</li> <li>• welcomed Members and Officers to the first virtual Council Meeting</li> <li>• acknowledged the NHS and all those involved in supporting the community during the current coronavirus pandemic and advised that the meeting would recognise this by pausing at 8 pm to applaud their good work</li> <li>• paid tribute to the groups and organisations within the Borough, officers and the waste collection service who had all continued to support individuals and the community during the pandemic</li> <li>• expressed his sadness for not being able to represent the Borough for the VE celebrations that were due to have been held on 8 May 2020</li> <li>• thanked Keith Aubrey for his service to the Council and for requesting donations to Rainbows instead of a leaving gift and was grateful to those who had donated</li> <li>• advised it had been a great honour to be Mayor for the past year and he had met so many people during that time and he hoped to resume normal service as soon as possible</li> <li>• thanked Councillor Faulkner for his support as Deputy Mayor throughout the year</li> </ul>
CO5	<p><b>ELECTION OF LEADER</b></p> <p>The Monitoring explained that the Council's Constitution included provision that a</p>

Leader of the Council should be elected for a 4 year term. At the Annual Meeting in May 2019, the Leader had been elected for one year only and she now requested that the Council regularise the arrangement and elect a Leader with a term of office until 2023.

Councillor Browne proposed that Councillor Joe Orson be elected Leader until 2023 and paid tribute to his previous term as Leader and added that he believed that he was the right person to lead the Council over the next 3 years. Councillor Faulkner seconded the nomination.

There were no other nominations.

**RESOLVED** that Councillor Joe Orson be elected Leader of the Council until the Annual Meeting in 2023.

(22 in favour, 6 against)

CO6

**NOTIFICATION BY THE LEADER OF THE APPOINTMENT TO THE EXECUTIVE**

The Leader thanked Members for his appointment and congratulated Councillor Evans on taking up the leadership of the Opposition Group and added that he looked forward to working with him for the mutual benefit of the Council. He expressed his thoughts and condolences to those who had lost loved ones and friends to the coronavirus pandemic. He thanked all involved at the Council in supporting residents and responding to the many queries and calls and felt proud of the NHS, volunteers, key workers, factory workers, neighbours and friends who were supporting people throughout the pandemic and adhering to the government guidelines to keep people safe.

The Leader stated

*'This time last year we had just emerged from the local election and were commencing for the first time with a new form of Cabinet governance. We approved a new brand new constitution and adopted an entirely new set of procedure rules. I would hope members would agree with me that for the most part these have served us well and have allowed us to conduct our business efficiently and effectively.*

*It is, though, always prudent to keep things under review and mindful of the clarification the Monitoring Officer has just made in relation to the term of appointment for the Leader, I would like to confirm that I have asked for a report to be presented to the next Council meeting which will seek to establish a Constitutional Review working group and associated terms of reference. This will allow us to reflect on our experience over the last year and make any further necessary amendments.*

*Operating with a Cabinet system for the first time we have seen good progress in a number of areas. We have focussed on improving customer services, undertaking a number of service design reviews and procured new customer engagement technology through IEG4. Despite the current challenges, implementation of this*

*new system is progressing well and we expect the first phase to launch to the public in June as planned.*

*We have fully gripped the long-standing housing challenge and last November agreed a comprehensive Housing Improvement Plan; representing an ambitious commitment to reinvest in our housing stock and landlord services. Whilst we cannot be complacent, the huge amount of work done on compliance since then has paid dividends both in terms of improving health and safety for our tenants whilst also receiving positive validation from the Regulator. There is much more to be done before we are satisfied and we look forward to the Portfolio Holder and new Director continuing to lead improvements in this important priority area.*

*We introduced the first public spaces protection order and are taking more action now to tackle environmental crime and became the first Council in the East Midlands to secure Disability Confident Status. We have reviewed our Community Grants scheme and ensured the funding we provide better meets our local priorities and can demonstrate good value for money. We have adopted a new Debt Management Policy to ensure we get the right balance between protecting vulnerable people and securing the income we need and have introduced cashless payment facilities at all our car parks.*

*The Council's new Scrutiny Committee has played a key role throughout, providing the right balance between support and constructive challenge. Good decisions are made through effective and transparent debate and I have welcomed Scrutiny's proactive involvement in a number of the policy areas mentioned earlier. Most notably, Scrutiny's role in leading the Void improvement work was an excellent first review area and one which has informed and linked perfectly into the Housing Improvement work already underway. My Cabinet colleagues and I look forward to our work with Scrutiny over the coming year.*

*Following the snap General Election in December 2019 we have built a strong relationship with our new MP and prior to the current pandemic we had made positive progress regarding our efforts to secure a second surgery for Melton. Clearly the current health emergency must take precedence but we will return to these efforts at the right time. Throughout this year the Council has also shown its strength when it unites as a whole, whether through our formal declaration of a climate emergency or through the excellent summer social hosted by the Mayor last Summer. Most particularly though, it is the response to the current pandemic which has shown what value Melton Borough Council can bring to its local community. Within a matter of days the Council had created a completely new infrastructure, establishing support hubs both for our community and local businesses. We have helped hundreds of residents and businesses during this time delivering nearly 1,000 food parcels, over 150 prescriptions and made nearly 1,200 awards of Council Tax support totalling £175,000. We have paid 750 businesses nearly £9.1m in support grants and facilitated the governments extended business rates relief scheme. Officers and members have worked tirelessly to support our communities during the immediate response and we will continue to do so as we tentatively edge towards recovery. I am proud of what we have achieved and want*

to reassure everyone that we are here for Melton and will continue to be so into the future.

Whilst it feels like an awful lot has happened since, in February, we should not forget that following a significant amount of work and feedback from over 1,700 residents we approved our new Corporate Strategy for 2020 to 2024, alongside setting a balanced budget for the first time in 3 years. As you will appreciate we had to postpone the formal launch of our strategy in April and given all that has occurred since it is necessary for us to take stock and consider what if any changes we now need to make as a consequence. There is much I suspect we will want to retain, but we must also respond to the 'new normal' we will face over the coming months and years. Officers are currently working on a timeline for this review and I will update members shortly on this.

Clearly, facilitating growth and promoting and strengthening the Melton economy will remain cornerstones of our strategy, and I was delighted we secured £2.7m of grant funding to support further development of proposals for the Food Enterprise Centre and Health and Leisure Park. There is still much to be done before these come to fruition, something made even more challenging in the current climate, but the steps we are taking now are creating a platform for delivery in the future. There has been progress on delivering the distributor road and whilst discussions with the County Council have been challenging, we have the principles in place for a pioneering infrastructure agreement and will deliver a masterplan for the southern neighbourhood by June to meet the Homes England timescale for the HIF bid. It will then be over to the County Council to decide whether they wish to accept it, but Melton Borough Council can be fully satisfied that there is nothing further they can do to see it delivered.

### **Announcement of Cabinet and Executive Delegation scheme**

I am delighted to announce the formation and membership of Melton Borough Council's Cabinet for the coming year. This Cabinet will continue to provide leadership and public accountability as we work to respond to the challenges faced by our communities due to the Covid-19 pandemic, as well as refine and deliver our newly approved Corporate Strategy. We will continue to be a collaborative Cabinet who work with members across the Council to ensure that we respond to the challenges faced by both the Council and the people and communities of Melton.

Following the changes mid-way through the last year I can confirm that we will maintain a 5 member Cabinet for the coming year, including myself as Leader.

Councillor Higgins will continue in his role as Deputy Leader, with an expanded growth and prosperity portfolio; now taking on responsibility for planning delivery and building control. As well as delivering our long term strategic aims, now more than ever we will need to support our businesses to ensure Melton's economy recovers as quickly as possible.

Councillor de Burle has maintained an excellent grip on our resources over the

*course of the last year, enabling us to deliver a balanced budget and will continue to do this as he retains the Corporate Finance and Resources portfolio. With the current situation impacting so much on council finances we will need to redouble our efforts to become more business-like, maximise the value of our assets and plug the funding gap.*

*Following the excellent job undertaken by Councillor Freer-Jones in the last year I have asked her to take on an expanded portfolio, building on the impressive work she has done overseeing our governance changes and engagement work. Her new portfolio of Climate, Access and Engagement will add responsibilities for the Council's climate change commitments, and wider environment and regulatory functions.*

*Having made considerable progress in the last year, Councillor Pearson will continue leading our improvements within the Housing and Communities portfolio, We have made improving the quality of our landlord function and housing stock our top priority and there is still much more to be done over the coming year, Councillor Pearson will also take on responsibility for our waste and grounds maintenance services.*

*As Melton Borough Council's Cabinet we look forward to working with all members in tackling the challenges facing our communities and supporting through the current situation. All members will have received an electronic copy of the Portfolios with further details of what each includes, alongside the Executive Scheme of Delegation which is also being implemented. We look forward to working with you.'*

(Councillor Evans lost connection at 7.05pm and resumed connection at 7.10pm during the Leader's speech.)

CO7

**POLITICAL BALANCE AND ALLOCATION OF SEATS TO POLITICAL GROUPS**

The Monitoring Officer presented her report which requested that Members approve the political balance for the Council, elect Chairs and Vice Chairs and appoint Members to committees as well as retain the existing scrutiny arrangements. She explained that the recommendations had been split into 3 groups of recommendations as set out below for Members' consideration.

Recommendations 2.1 and 2.2

Councillor Orson proposed recommendations 2.1 and 2.2 and Councillor Higgins seconded.

**RESOLVED**

- (1) To APPOINT the Scrutiny Committee and Standing Committees as set out in paragraph 5 of the report for the Municipal Year 2020/21.
- (2) To AGREE the terms of reference and number of voting places on the Scrutiny Committee and Standing Committees as detailed at paragraph 5.1 of the report for the Municipal Year 2020/21.

(Unanimous)

Recommendations 2.3 and 2.4

Councillor Orson proposed revised recommendations to those in the report as there had been dissent from Members outside of the Conservative Group with regard to the proposal to include the non-aligned Member in the political balance calculation. As the report clearly set out, there must be unanimity in order to depart from the usual rules on political balance as set out in Section 15 and 16 of the Local Government and Housing Act 1989 and include non-aligned Members in the calculation. The calculations set out in the report (at paragraph 5.2) represented the status quo and showed the position if all Members agreed that the non-aligned Member was included in the political balance calculation. As he was aware that not all Members were in agreement with this proposal, then the motion in its current version would fail due to lack of unanimous consensus.

As a result he presented a revision to the calculations on political balance (paragraph 5.2 of the report) which reflected the statutory calculation regarding political balance, and did not include the non-aligned Member in the calculations and which could be approved through simple majority. He therefore proposed the following revised recommendations :

2.3 Approves the political balance calculation set out at revised paragraph 5.2 (as presented to Members at the meeting);

2.4 Approves the allocation of committee seats to political groups as set out in revised paragraph 5.2 and notes the membership of each committee as set out in revised Appendix A;

As mentioned these recommendations complied with s.15 and s.16 of the 1989 Act and therefore required a simple majority to be carried.

Councillor Higgins seconded.

**RESOLVED**

(3) To APPROVE the political balance calculation set out at the revised paragraph 5.2 of the report as follows :

Group Name or Non-aligned	No of Cllrs	Percentage across the Council	Allocation of Seats over 4 Committees 38 seats	
			Decimal	Rounded no
Conservative	21	77.78%	29.56	30
Opposition	6	22.22%	8.44	8
<b>Totals</b>	<b>27</b>	<b>100%</b>	<b>38 seats</b>	<b>38 seats</b>



- (4) To APPROVE the allocation of committee seats to political groups as set out in revised paragraph 5.2 of the report (as shown in the below table) and notes the membership of each committee as set out in revised Appendix A;

<b>Group Name or Non-aligned</b>	<b>Audit &amp; Standards</b>	<b>Planning</b>	<b>Scrutiny</b>	<b>Employment</b>	<b>TOTAL</b>
Conservative	8 (7.78)	9 (8.56)	8 (7.78)	5 (5.44)	<b>30</b>
Opposition	2 (2.22)	2 (2.44)	2 (2.22)	2 (1.56)	<b>8</b>
<b>Totals</b>	<b>10</b>	<b>11</b>	<b>10</b>	<b>7</b>	<b>38</b>

(27 in favour, 1 abstention)

Recommendation 2.5

Councillor Orson proposed recommendation 2.5 and Councillor Higgins seconded.

Councillor Evans congratulated the Mayor on his extension in the role and thanked the Leader for his commitment to working together. He advised that he would be abstaining on this motion as he felt the Opposition Group should be represented in the Chairs and Vice Chairs of Committees.

**RESOLVED**

- (5) To APPROVE the appointments of Chairs and Vice Chairs of Committees as set out at Appendix B.

(22 in favour, 6 against)

CO8

**MELTON BOROUGH COUNCIL CONSTITUTION**

The Monitoring Officer presented her report on the Constitution and advised that she was able to and had made minor amendments throughout the year particular around officer structures. During the pandemic she referred to use of the emergency delegated powers which had resulted from the new Coronavirus Act. She advised that a Constitutional Working Group would meet over the coming months to work on updating the Constitution further.

Councillor Orson said that in addition to confirming the Constitution he would like to add a further proposal to the published recommendation in relation to the public speaking rules. In order to balance the importance of providing an opportunity for interested parties to make representations at the Planning Committee, with the requirement to ensure that meetings are able to progress efficiently and to maximise the decision-making capacity of the Committee, he proposed the following recommendations :

1. That Council confirms the Constitution (including the Council's Officer Scheme of Delegation at Chapter 2 – Part 4); and

	<p>2. That Council approves an amendment to the Public Speaking Rules (Chapter 2 – Part 9, Section 2.8 – 2.28 MBC Constitution) to reduce the time allowed for public speaking from four minutes to three minutes.</p> <p>Councillor Higgins seconded.</p> <p><b><u>RESOLVED</u></b></p> <p>(1) To CONFIRM the Constitution (including the Council’s Officer Scheme of Delegation at Chapter 2 – Part4);</p> <p>(2) To APPROVE an amendment to the Public Speaking Rules (Chapter 2 – Part 9, Section 2.8 – 2.28 MBC Constitution) to reduce the time allowed for public speaking from four minutes to three minutes.</p> <p>(Unanimous)</p>
CO9	<p><b>PROGRAMME OF MEETINGS 2020/21</b></p> <p>The Monitoring Officer presented her report on a Programme of Meetings for 2020/21 and advised that any changes would be made in consultation with the Mayor, Leader or relevant Committee Chair.</p> <p>Councillor Orson proposed the programme of meetings and Councillor Higgins seconded.</p> <p>It was noted that additional Planning Committee meetings may be required to accommodate the current workload of applications.</p> <p><b><u>RESOLVED</u></b></p> <p>To APPROVE the programme of meetings for the Municipal Year 2020-2021 (Appendix A).</p> <p>(Unanimous)</p>
CO10	<p><b>APPOINTMENT OF REPRESENTATIVES ON OUTSIDE BODIES AND WORKING GROUPS</b></p> <p>The Monitoring Officer presented her report on appointment of representatives to outside bodies and working groups for 2020/21.</p> <p>Councillor Orson proposed the recommendations with an amendment at 2.2 to include reference at Appendix A at column B and to approve the appointments to the Joint Staff Working Group as presented to Members. Councillor Higgins seconded.</p> <p><b><u>RESOLVED</u></b></p> <p>(1) To APPROVE the appointments in Column A of Appendix A should be</p>

	<p>designated according to the role/portfolio holder/ward member as indicated.</p> <p>(2) To APPOINT representatives to serve on the outside bodies and working groups listed at Appendix A, Column B and approves the appointments to the Joint Staff Working Group.</p> <p>(Unanimous)</p>
CO11	<p><b>INDEPENDENT PERSONS APPOINTMENT</b></p> <p>The Monitoring Officer presented her report on the appointment of Independent Persons and explained that it was a requirement of the Localism Act 2011 that the Council appoints at least one Independent Person who must be consulted before decisions in respect of complaints were taken and who may be consulted by Councillors who are complained about. The report sought authority to appoint named individuals as Independent Persons who formed a pool of Independent Persons that had been through a recruitment exercise by Leicestershire District Authorities.</p> <p>Councillor Orson proposed the recommendations and Councillor Higgins seconded.</p> <p><b><u>RESOLVED</u></b></p> <p>(1) To APPOINT the following people as Independent Persons to perform the roles set out in section 28(7) of the Localism Act 2011 with effect from 15th May 2020 until the end of the 2020/21 Council Year:</p> <ul style="list-style-type: none"> <li>(a) Mrs Christine Howell</li> <li>(b) Mr Michael Pearson</li> <li>(c) Mr Richard Gough</li> <li>(d) Mr Mark Shaw</li> </ul> <p>(2) To NOTE that the appointment for Gordon Grimes will remain in place.</p> <p>(Unanimous)</p>
CO12	<p><b>REVIEW OF MEMBERS' ALLOWANCE SCHEME</b></p> <p>The Monitoring Officer presented her report which advised that it was a legal requirement to appoint an Independent Remuneration Panel and seek its advice before making any changes or amendments to the Member Allowances Scheme. The Member Allowances Scheme was last reviewed in February 2019 in preparation for the change of governance to the Cabinet Model. In that review the Welland Independent Remuneration Panel (the Panel) recommended that a further review was undertaken in January 2020 in order to evaluate the impact of the changes on the new governance arrangements. This review was undertaken in February 2020 and the Panel's findings and recommendations were contained in the Panel's report at Appendix A.</p> <p>John Cade, the Chair of the Welland Independent Remuneration Panel, was in</p>

attendance at the meeting and presented the Panel's findings as set out at Appendix A. He advised that he had consulted and offered meetings with all Members and received evidence which had helped to shape the recommendations. He thanked the Democratic Services Manager for her support to the Panel.

-oOo-

*At 8 pm, the Mayor invited Members to applaud the NHS and all those who were supporting us throughout the coronavirus pandemic*

-oOo-

Councillor Orson supported the Panel's report and proposed the recommendations in the report. He advised that he would not accept any amendments to his proposal. He explained that the allowances scheme supported equality and helped to encourage people of walks of life to stand for election knowing that their commitment involved a structured level of recognition of their time as well as recovery of expenses. He said the Panel was independent and had been asked to review the scheme following last year's change in governance arrangements which had given more responsibility to the Cabinet and increased the time and commitment of their involvement. He thanked all those who had contributed to the review.

Councillor Higgins seconded and explained that the scheme encouraged younger people to stand for election and Melton had a good track record in attracting Members of all ages. He considered that ward work could take up to 18 hours per week and referred to the increased responsibility on Portfolio Holders in listening to the community and being proactive in understanding issues.

Councillor Evans proposed to withdraw the report as he felt uncomfortable considering an increase in allowances at a time when thousands of people were losing their jobs due to the current pandemic. He recognised that Members held an important role but it was not vital for them to receive an increase at this time.

Councillor Holmes seconded the proposal to withdraw and reserved her right to speak.

Councillor Orson responded that sometimes Members had to take uncomfortable decisions and a professional review had been undertaken which included comparisons with other Councils who received more than those at Melton and he therefore could not support a withdrawal.

Councillor Holmes felt that although Councillors deserved a pay rise, especially those who were not Chairs or Vice Chairs, she did not consider it the right time.

Several Members were in agreement that due to the pandemic and the affect on people's jobs and income, this was not the right time to consider an increase in allowances and the report should be withdrawn and brought back when the

economy improved.

Others felt that it was not a pay rise but a reflection of increased responsibility as a result of the changes to the governance structure.

There was a request for a recorded vote by Councillors Carter, Evans and Holmes.

On the motion to withdraw the report being put to the vote, there were 8 in favour, 18 against and 2 abstentions therefore the motion was lost. The vote breakdown was as follows:

Councillor		For	Against	Abstain
Cllr	Bains	✓		
Cllr	Bindloss		✓	
Cllr	Browne		✓	
Cllr	Carter	✓		
Cllr	Chandler	✓		
Cllr	Child		✓	
Cllr	Cumbers		✓	
Cllr	de Burle		✓	
Cllr	Douglas		✓	
Cllr	Evans	✓		
Cllr	Faulkner		✓	
Cllr	Fisher		✓	
Cllr	Freer-Jones		✓	
Cllr	Glancy		✓	
Cllr	Graham		✓	
Cllr	Hewson	✓		
Cllr	Higgins		✓	
Cllr	Holmes	✓		
Cllr	Illingworth		✓	
Cllr	Lumley		✓	
Cllr	Orson		✓	
Cllr	Pearson		✓	
Cllr	Posnett			✓
Cllr	Pritchett	✓		
Cllr	Smedley		✓	
Cllr	Steadman			✓
Cllr	Wilkinson		✓	
Cllr	Wood	✓		
<b>Totals</b>		<b>8</b>	<b>18</b>	<b>2</b>

Councillors Evans and Holmes felt it was regretable that the motion had been lost and that in these unprecedented times felt there was no justification for an increase in allowances.

Several Councillors spoke in support of the motion to approve the

recommendations and felt that Members were working harder than ever to support their communities and do the best for their ward and therefore the increase was justified.

It was highlighted that Members could reject receipt of the back payment if they were minded to do so.

It was noted that a supplementary estimate was needed for the increase and for the backdated payments.

On the motion to accept the recommendations in the report being put to the vote, there were 17 in favour, 7 against and 4 abstentions therefore the motion was carried. The vote breakdown was as follows:

Councillor		For	Against	Abstain
Cllr	Bains			✓
Cllr	Bindloss	✓		
Cllr	Browne	✓		
Cllr	Carter		✓	
Cllr	Chandler		✓	
Cllr	Child	✓		
Cllr	Cumbers	✓		
Cllr	de Burle	✓		
Cllr	Douglas	✓		
Cllr	Evans		✓	
Cllr	Faulkner	✓		
Cllr	Fisher	✓		
Cllr	Freer-Jones	✓		
Cllr	Glancy	✓		
Cllr	Graham			✓
Cllr	Hewson		✓	
Cllr	Higgins	✓		
Cllr	Holmes		✓	
Cllr	Illingworth	✓		
Cllr	Lumley	✓		
Cllr	Orson	✓		
Cllr	Pearson	✓		
Cllr	Posnett			✓
Cllr	Pritchett		✓	
Cllr	Smedley	✓		
Cllr	Steadman			✓
Cllr	Wilkinson	✓		
Cllr	Wood		✓	
<b>Totals</b>		<b>17</b>	<b>7</b>	<b>4</b>

**RESOLVED**

- (1) To APPROVE the recommended changes to the Scheme of Members of Allowances shown in paragraph 10 of the Report of the Independent Remuneration Panel (Appendix A) and detailed below:
- (a) the basic allowance (index linked to Officers' annual National Joint Council salary award) remains unaltered;
  - (b) the Leader of the Council's SRA be set at 3 x Basic Allowance;
  - (c) the Deputy Leader's SRA be set at 2 x Basic Allowance;
  - (d) the Cabinet Members' SRA be set at 1.25 x Basic Allowance;
  - (e) the Scrutiny Chair's SRA be set at 1.25 x Basic Allowance;
  - (f) the Scrutiny Vice-Chair's SRA be £2,000 pa;
  - (g) the Regulatory Chairs' and Vice-Chairs' SRA remain unaltered;
  - (h) the Leader of the Opposition's SRA be £2,000 pa;
  - (i) the site visit allowance be £35.00 per visit;
  - (j) car mileage be set at the HMRC rate of 45p per mile;
  - (k) the hourly rate for carers allowance be set at £10.50 per hour with an annual maximum claim of £1500;
  - (l) the allowances for Independent Person (£491 pa) and Parish Representative (£318 pa) be removed;
  - (m) the proposed revised special responsibility allowances be backdated to the start of the 2019/20 municipal year.
- (2) To APPROVE a supplementary estimate of £11,410 from the Corporate Priorities Reserve to cover the cost of backdating the proposed revised special responsibility allowances to the start of the 2019/20 Municipal Year.
- (3) To APPROVE a supplementary estimate of £13,060 from the Corporate Priorities Reserve to cover the additional costs of the proposals in 2020/21.
- (4) To NOTE that the Member Allowances Scheme will be amended to reflect the changes approved at this meeting and be incorporated as part of the Council's Constitution.

**CLOSING REMARKS**

Councillor Orson

- thanked the Mayor for chairing the Annual Meeting and the Chief Executive and Democratic Services for providing support at the meeting;
- announced that it had been tweeted the previous evening that Galliford Try had been appointed to the £16.3m contract for the Melton Mowbray Distributor Road which meant that the north east section would be constructed and completed. He referred to the Council's ongoing commitment and plans for the southern by pass.

At this point, the Mayor declared a personal interest due to his role with the Sir John Sedley Educational Foundation which owned land included in the distributor road proposals.

The meeting closed at: 8.56 pm

Mayor



## Advice on Members' Interests

### **COUNCIL MEETINGS - COMMITTEE MINUTES : DECLARATION OF INTERESTS**

Interests need not be declared at Full Council in relation to Committee Minutes which do not become the subject of debate at Full Council (i.e. Minutes referred to solely on a page by page basis when working through the Minutes of each Committee.)

An interest must be declared at Full Council as soon as it becomes apparent that a relevant Committee Minute is to be debated – this applies even if an interest has been declared at Committee and is recorded in the Minutes of that Committee.

### **PERSONAL AND NON-PECUNIARY INTERESTS**

If the issue being discussed affects you, your family or a close associate more than other people in the area, you have a personal and non-pecuniary interest. You also have a personal interest if the issue relates to an interest you must register under paragraph 9 of the Members' Code of Conduct.

**You must state that you have a personal and non-pecuniary interest and the nature of your interest.** You may stay, take part and vote in the meeting.

### **PERSONAL AND PECUNIARY INTERESTS**

If a member of the public, who knows all the relevant facts, would view your personal interest in the issue being discussed to be so great that it is likely to prejudice your judgement of the public interest and it affects your or the other person or bodies' financial position or relates to any approval, consent, licence, permission or registration then **you must state that you have a pecuniary interest, the nature of the interest and you must leave the room\***. You must not seek improperly to influence a decision on that matter unless you have previously obtained a dispensation from the Authority's Governance Committee.

### **DISCLOSABLE PECUNIARY INTERESTS AND OTHER INTERESTS**

**If you are present at any meeting of the Council and you have a disclosable pecuniary interest in any matter to be considered or being considered at the meeting, if the interest is not already registered, you must disclose the interest to the meeting. You must not participate in the discussion or the vote and you must leave the room.**

You may not attend a meeting or stay in the room as either an Observer Councillor or \*Ward Councillor or as a member of the public if you have a pecuniary or disclosable pecuniary interest\*.

### **BIAS**

If you have been involved in an issue in such a manner or to such an extent that the public are likely to perceive you to be biased in your judgement of the public interest (bias) then you should not take part in the decision-making process; you should leave the room. **You should state that your position in this matter prohibits you from taking part.** You may request permission of the Chair to address the meeting prior to leaving the room. The Chair will need to assess whether you have a useful contribution to make or whether complying with this request would prejudice the proceedings. A personal, pecuniary or disclosable pecuniary interest will take precedence over bias.

In each case above, you should make your declaration at the beginning of the meeting or as soon as you are aware of the issue being discussed.\*

\*There are some exceptions – please refer to paragraphs 3.12(2) and 3.12(3) of the Code of Conduct

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## Council

22 July 2020

**Report of:** Councillor Ronnie de Burle -  
Portfolio Holder for Corporate  
Finance and Resources

## Review of Contract Procedure Rules

<b>Corporate Priority:</b>	Service excellence in all we do
<b>Relevant Ward Member(s):</b>	All
<b>Date of consultation with Ward Member(s):</b>	Not applicable
<b>Exempt Information:</b>	No

### 1 Summary

- 1.1 This report sets out the proposed amendments to the Council's Contract Procedure Rules for consideration.
- 1.2 The updated Contract Procedure Rules set out the principles, roles and processes involved in procurement at the Council. All procurements must comply with these Rules, the Council's Financial Procedure Rules, English law and European Law in force in England. The Rules seek to protect the Council's reputation by minimising risk of allegations of corruption, dishonesty and failure to meet legal obligations.

### RECOMMENDATION(S)

1. **That Council approves the updated Contract Procedure Rules as attached in Appendix A, with an implementation date of 1<sup>st</sup> September 2020 (to allow sufficient time for Council Officers to receive training).**

### 2 Reason for Recommendations

- 2.1 The updates contained within Appendix A reflect current best practice, legislation and the requirement for Officers to have more in-depth information around procurement processes.
- 2.2 The Council's Rules must be kept under continuous review to ensure they reflect changes in the Law and changes required that result from internal reviews on how the Council operates.

### **3 Background**

- 3.1 The Council has Contract Procedure Rules to ensure that Officers follow a consistent, fair and transparent procurement process when purchasing goods, services or works. Above a certain value set by the EU, the process is set out in statute. Below this value, Councils have Contract Procedure Rules which adhere to the EU principles of fairness and transparency.
- 3.2 Audit check compliance with the Contract Procedure Rules. If an Officer does not follow the correct procedure rules then the Council could be at risk of a challenge to the procurement process. As well as the considerable financial, reputational and organisational risk attached to poor procurement, it is the responsibility of Council Officers to ensure the appropriate use of public money and to be able to demonstrate this.
- 3.3 Over the last eight months, Welland Procurement has reviewed the current Contract Procedure Rules to ensure they reflect changes in the Law, best practice and changes required that result from internal reviews on how the Council operates. This has led to the proposed updated Contract Procedure Rules as attached in Appendix A.
- 3.4 Welland Procurement has carried out this review alongside other internal stakeholders (Legal Services, Democratic Services and the Director for Corporate Services).

### **4 Main Considerations**

- 4.1 Amendments to the current Contract Procedure Rules are within Appendix A as tracked changes to enable changes to be clearly seen.
- 4.2 Key amendments to the Contract Procedure Rules are summarised below:
  - 4.2.1 Emphasis on ensuring approvals are in place (2.9) prior to procurement process and prior to award
  - 4.2.2 Ensuring TUPE implications are considered at pre-procurement stage (2.10)
  - 4.2.3 Explanation of total value, including aggregated spend (4)
  - 4.2.4 Contract term maximum (5)
    - a) The term of a Contract should not exceed five years in total (including any potential extension options), without the written approval of the relevant Service Director. This must be gained prior to the procurement process commencing. (5.1)
  - 4.2.5 Prompt for electronic signature added (6.5, 7.12, 11.7, 12.9, 13.11, 15.11.3, 16.3)
  - 4.2.6 Definition of local amended to Borough of Melton (7.5)
  - 4.2.7 Details in relation to the clarification process during a “live” procurement process added (7.7, 8.7, 9.8, 10.9)
  - 4.2.8 Details in relation to the evaluation of Quotations (RFQs) (7.10), and tenders (8.9, 9.9, 10.12)
  - 4.2.9 Details on where signed contracts are to be stored (7.13, 8.14, 9.14, 10.17, 16.3)
  - 4.2.10 Significant process detail added for procurements over OJEU threshold (10)
  - 4.2.11 Details on where procurement documents are to be stored (7.9, 8.15, 9.15, 10.18)

- 4.2.12 Information relating to compliant Framework call offs (11.2), as well as other obligations that still need to be considered (approvals, contracts register, Contracts Finder)
- 4.2.13 How to set up a Framework Agreement (12) and a Dynamic Purchasing System (13)
- 4.2.14 Conflict of interest declarations to be signed (£50,000 or more mandatory, £10,000-£50,000 discretionary) (15.1.2)
- 4.2.15 How to deal with errors in tenders (15.3)
- 4.2.16 How to deal with late tender submissions (15.4)
- 4.2.17 How to deal with irregular tenders (15.5)
- 4.2.18 Modern slavery compliance (15.8)
- 4.2.19 Safeguarding provisions (15.9)
- 4.2.20 Due diligence requirements (2.12, 7.15, 8.18, 9.18, 10.21, 11.11, 15.10)
- 4.2.21 Exemptions to the Rules (16, specifically 16.2, 16.4, 16.4.2, 16.5, 16.6)
- 4.2.22 Prompt for Officers to ask suppliers to sub-contract locally (17.1.4)
- 4.3 The Contract Procedure Rules are supported by the Procurement Toolkit (available to Council Officers via the [Welland Procurement portal](#)). The Toolkit is intended to be a reference point when undertaking a procurement exercise, providing practical guidance.
  - 4.3.1 An example of an area that the Toolkit gives further guidance on is understanding social value, and how benefits can bring additional economic, environmental and social benefits to the local area and community.
- 4.4 Cabinet approved the 2020-2024 Annual Procurement Appraisal and Framework on 15<sup>th</sup> July 2020, which sets out how the Council will promote effective procurement across the Council, as well as summarising how the Council will adopt a strategic approach to sustainable procurement based on national and regional drivers, best practice and recommendations on sustainable procurement. Every aspect of the procurement process and practice must be aimed at delivering best value for the benefit of the people of the local area.
  - 4.4.1 Section 5 of the Framework set out the principles within achieving community benefits; obtaining social value and engaging local small and medium enterprises (SMEs).
  - 4.4.2 Clear aspirations have been set out within the Framework to ensure the Council is doing as much as possible to give local and SME organisations an opportunity to work with and for the Council.

## 5 Options Considered

- 5.1 To continue with the current Contract Procedure Rules. This is not recommended, as the review has highlighted areas with significant gaps in information for Officers to be able to carry out procurement processes, and details on how to deal respond to certain circumstances.

## 6 Consultation

- 6.1 The updated Contract Procedure Rules have been circulated to multiple stakeholders for input, feedback and comment. This includes Legal Services, Democratic Services, Council Directors, Tier 3 Management and LGSS Audit. Alongside the training planned for August 2020, this will ensure the amendments are understood, and that the Rules as a whole are as user friendly as possible.

## 7 Next Steps – Implementation and Communication

- 7.1 Subject to Council approval, the updated Contract Procedure Rules will come in to effect from 1<sup>st</sup> September 2020, and will be incorporated to the Constitution accordingly. They will be published on Melton Borough Council’s internet pages, as well as the Council’s intranet pages for Officers to access.
- 7.2 The deferred effective date will allow sufficient time for Council Officers to receive training.
- 7.3 The updated Contract Procedure Rules will also be rolled out to clients receiving procurement support from Welland Procurement.

## 8 Financial Implications

- 8.1 There are no financial implications associated with this report.

**Financial Implications reviewed by: Corporate Services Manager 04/06/2020**

## 9 Legal and Governance Implications

- 9.1 It is a legal requirement for the Council to have Contract Procedure Rules.
- 9.2 The adoption and approval of amendments to the Rules is a matter reserved to Council and forms part of the Constitution.

**Legal Implications reviewed by: Director for Governance and Regulatory Services**

## 10 Equality and Safeguarding Implications

- 10.1 There are no equality and safeguarding implications to consider.

## 11 Community Safety Implications

- 11.1 There are no implications to consider.

## 12 Environmental and Climate Change Implications

- 12.1 There are no implications to consider.

## 13 Other Implications (where significant)

- 13.1 There are no implications to consider.

## 14 Risk & Mitigation

Risk No	Risk Description	Likelihood	Impact
1	Updated Contract Procedure Rules are not adopted by Council Officers.  The implementation period (up until 1 <sup>st</sup> September) allows for all relevant staff to receive appropriate training, which will be refreshed on an annual basis.	Low	Critical

<b>2</b>	COVID19 Training plans have been put in place, which can be delivered face to face or via conference call facilities.	Low	Marginal
<b>3</b>	New members of staff will not be aware of the Contract Procedure Rules Welland Procurement is to be made aware of new members of staff, as well as changes to the roles of current Council Officers. Welland Procurement will then be able to offer training and guidance on the Rules.	Significant	Critical
<b>4</b>	Audit requirements will not be updated to reflect the new Contract Procedure Rules. Welland Procurement will ensure LGSS Audit receive the updated version of the Rules.	Low	Critical

		Impact / Consequences			
		Negligible	Marginal	Critical	Catastrophic
Likelihood	Score/ definition	1	2	3	4
	6 Very High				
	5 High				
	4 Significant			3	
	3 Low		2	1, 4	
	2 Very Low				
	1 Almost impossible				

## 15 Background Papers

15.1 No background papers are being relied upon in writing this report.

## 16 Appendices

16.1 Appendix A – Contract Procedure Rules

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# **CONTRACT PROCEDURE RULES**

**Reviewed and Updated April 2020**

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## **1 Introduction**

The purpose of these Contract Procedure Rules is to set out the principles, roles and processes involved in procurement at the Council. All procurements must comply with these Rules, the Council's Financial Procedure Rules, English law and European law in force in England.

All procurements must realise value for money through the optimum combination of whole life costs and quality of outcome.

These Rules seek to protect the Council's reputation by minimising the risk of allegations of corruption, dishonesty and failure to meet legal obligations; as such they must be followed in all procurement activity.

If there is any change to the law which affects these Rules, then that change must be observed until these Rules can be revised. If these Rules conflict in any way with the law, then the law takes precedence.

These Rules are supported by detailed, practical guidance available in the Procurement Toolkit.

Any values stated within these Rules are exclusive of VAT.

These Rules do not apply in the following circumstances:

- 1.1 The purchase or lease of property, land acquisition, interest in land, transaction in land or disposal. This does not extend to any service, supplies or works contracts that may be required to make the land, existing buildings or immovable property ready for acquisition, disposal or leasing.
- 1.2 Direct employment of permanent or fixed term employees, for the avoidance of doubt these Rules do apply to consultancy and employment agency contracts.
- 1.3 Instructing barristers or solicitors (as long as those costs do not exceed the relevant EU Threshold).
- 1.4 The lending or borrowing of money by the Council.
- 1.5 Contracts between Local Authorities as defined by Clause 12 of the Public Contract Regulations 2015.
- 1.6 Section 75 NHS Act 2006 arrangements (although details must be recorded on the Council's Contract Register).

## **2 Roles and Responsibilities**

Officers

- 2.1 The Officer responsible for the procurement must comply with these Contract Procedure Rules and the Financial Regulations. The Officer is also responsible for ensuring that any Agents acting on behalf of the Council do so in compliance with these Rules and should seek written confirmation of their agreement.
- 2.2 As part of the service planning process Officers are expected to highlight all required procurement support through the annual Procurement Service Plan in advance of the next financial year.
- 2.3 Officers are responsible for the contracting activity, and must ensure:
- a) Continued compliance with the Council's requirements;
  - b) Value for money;
  - c) Compliance with these Rules as well as any legal and statutory requirements; and
  - d) Compliance with any relevant Council policy and Key Decision Threshold.
- 2.4 The Officer is responsible for ensuring the Welland Procurement Unit are aware of the timescales for upcoming procurement work, especially for contracts in excess of £50,000, in sufficient time.
- 2.5 The Officer must have regard to the guidance contained in the Procurement Toolkit which can be accessed via the [procurement portal](#).
- 2.6 Before beginning a purchase the Officer responsible for it must appraise the purchase and consider:
- Taking into account the requirements from any relevant Best Value or other review;
  - Appraising the need for the expenditure and its priority e.g. has a business case been developed which sets out the service objectives, the criteria for evaluation and the options for delivery;
  - Defining the objectives of the purchase;
  - Consider the risks associated with the purchase over its life and how to manage them;
  - Considering what procurement method is most likely to achieve the purchasing objectives, including internal or external sourcing, and collaboration with other purchasers;
  - Establish if corporate contracts and/or suitable frameworks exist and assess their suitability;
  - Consulting users as appropriate about the proposed procurement method, contract standards, and also performance and user satisfaction monitoring; and
  - Selecting the most appropriate procurement method.
- 2.7 The Officer must keep the records detailed in these Rules.
- 2.8 The requirements for the various procurement categories (based on [total value](#)) are detailed below. Where an EU procedure is required, the Officer **must** contact Welland Procurement before embarking on the procurement.

2.9 Officers should take all necessary legal, financial and other professional advice (e.g. HR, Comms etc.) and ensure the necessary decisions are in place before embarking upon any procurement process. If in doubt, please speak to Democratic Services.

2.9.1 Officers will need to ensure they have the relevant budget approved and available prior to embarking upon a procurement process. Budget approval ensures you have provision to fund any commitment within your own budget, and where sufficient budget isn't available the additional required funding has been sought and approved via members or delegated decision via the Chief Executive to access funding from reserves. Further information on this (and the process) can be found within the Financial Procedure Regulations; if in doubt, please speak to your Budget Holder or the Corporate Services Manager.

2.9.2 Officers will need approval to award, in line with the Constitution. This approval needs to be sought regardless of the procurement route i.e. Tender, Quotation, Framework Award or Exemption.

2.9.2.1 For contracts with a [total value](#) under £50,000, this must be done in writing (email is sufficient).

2.9.2.2 For contracts with a [total value](#) of £50,000 or more, this must take the form of a Decision Notice (Record); please speak to Democratic Services.

2.9.3 A Key Decision must be on the forward plan. Democratic Services must be engaged prior to any procurement process with a [total value](#) of £50,000 or more commencing. Note that any applicable "call in" period must be observed before the Decision is implemented.

A Key Decision is an Executive decision (Officer Portfolio Holder or Cabinet) which is likely to result in the Council:

- Incurring expenditure of £50,000 or more, or;
- Making savings or generate income of £50,000 or more, and/or
- Has a significant impact on two or more wards in the Borough and on communities living or working in those areas.

As part of the Key Decision, Officers will need approval to procure as well as approval to award, in line with the Constitution. This approval needs to be sought regardless of the procurement route i.e. Tender, Framework Award or Exemption. This must take the form of a Decision Notice; please speak to Democratic Services.

2.10 The provisions of the Transfer of Undertakings (Protection of Employment) Regulations 2006 (TUPE) apply to a relevant business transfer where the transferor (incumbent supplier) has a dedicated team of employee(s) that carry out the service activity that is to be transferred. In practice this will often apply where a Council service is:

- 'out-sourced'
- brought back 'in-house' / in-sourced

- where a contract that former Council employees are undertaking comes up for renewal and is awarded again to the same supplier or to a new supplier
- transferred from one external organisation to another
- TUPE is also likely to apply where a supplier who has been awarded a contract subsequently awards or sub-contracts all or part of it to another supplier, whilst retaining the contract with the main client

TUPE can apply irrespective of whether there has been a formal procurement exercise or not. Officers must ask the current Supplier whether or not any employee of the Council or of the Supplier may be affected by any transfer arrangement (TUPE). Where this is relevant, the Officer must ensure that the Transfer of Undertaking (Protection of Employment) issues are considered and obtain relevant advice before undertaking the procurement process. This will include liaising with Leicestershire County Council where any employee of the Council or of the Supplier is a member of the Local Government Pension Scheme (LGPS). Guidance on whether TUPE applies must be referred to Human Resources or Legal services in the first instance, before proceeding, so that the scope of any legal obligations may be identified. If TUPE does apply this must be factored into your procurement strategy / plan and timescales.

Suppliers must seek their own legal guidance on the application of TUPE; the Council must not offer any such advice. The Council's only involvement with TUPE is to facilitate through the provision of TUPE information; it must not get involved in other TUPE related matters.

'TUPE Information' templates are available on the [Welland Procurement portal](#). This information will need to be completed by the current supplier which you will issue to the market as part of your procurement documentation on which potential suppliers are invited to bid. This information must be gathered prior to going out to market, and you would need to review the information to ensure it has been anonymised (TUPE information is confidential – please discuss with Welland Procurement whether TUPE information should be published with the tender pack, or to individual bidders, subject to the return of TUPE Confidentiality Agreement), and whether or not there are any LGPS (Local Government Pension Scheme) members. Officers can refer to the Procurement Toolkit available on the [Welland Procurement portal](#) for guidance on considerations for LGPS members.

- 2.11 Officers must ensure that the contracts for which they are responsible are effectively managed and monitored to ensure they deliver the requirement as intended.
- 2.12 It is the Officer's responsibility to carry out [due diligence](#) on successful suppliers, both at Contract Award, and for the duration of the Contract.
- 2.13 Where an Officer has a potential conflict of interest within a procurement process, the Officer must declare this immediately to the relevant Chief Officer and Monitoring Officer. The Officer may be required to withdraw from the

procurement process. Any Officer who fails to declare such a conflict of interest may be subject to disciplinary proceedings and sanctions and risks being prosecuted under the Bribery Act 2010.

A 'Conflict of Interest Declaration – Confidentiality Agreement' form can be obtained from the [procurement portal](#).

### Senior Leadership Team

- 2.14 The Senior Leadership Team must ensure that they and their Officers comply with these Rules at all times.
- 2.15 The Senior Leadership Team must ensure that Value for Money is achieved in all procurements.
- 2.16 The Senior Leadership Team must ensure that they have in place a scheme of delegation that records in writing what action Officers are authorised to take under these Rules.
- 2.17 In the interests of forward planning, the Senior Leadership Team should prepare, maintain and review a rolling schedule in respect of procurement activities with a [total value](#) over £50,000.
- 2.18 The Senior Leadership Team is responsible for ensuring that the Council's Contracts Register is updated as required following procurement activity.
- 2.19 Where an Officer within the Senior Leadership Team has a potential conflict of interest within a procurement process, the Officer must declare this immediately to the relevant Chief Officer and Monitoring Officer. The Officer may be required to withdraw from the procurement process. Any Officer who fails to declare such a conflict of interest may be subject to disciplinary proceedings and sanctions and risks being prosecuted under the Bribery Act 2010.

A 'Conflict of Interest Declaration – Confidentiality Agreement' form can be obtained from the [procurement portal](#).

## **3 Non-Compliance with these Rules**

- 3.1 Where an Officer becomes aware of any non-compliance with these Rules (which cannot be remedied), they must declare this to the relevant Chief Officer and Monitoring Officer.

## **4 Total Value**

- 4.1 Total Value is the maximum potential contract value. This is an estimation of the annual value, multiplied by the maximum contract length (including any extensions). This calculation is to be used for contracts that fall under the

Public Procurement Regulations 2015. All references to “value” within these Rules refer to Total Value.

- 4.2 For Concessions contracts (where the supplier makes money from the right given by the Council to provide), contract values are based on what it is worth to the supplier or the cost the Council would incur to provide the contract. The Total Value for these contracts shall be the total turnover of the concessionaire generated over the duration of the contract, as estimated by the Council, taking into account:
- (a) the value of any form of option and any extension of the duration of the concession contract;
  - (b) revenue from the payment of fees and fines by the users of the works or services other than those collected on behalf of the Council;
  - (c) payments or any other financial advantages, in any form, from the Council to the concessionaire, including compensation for compliance with a public service obligation and public investment subsidies;
  - (d) the value of grants or any other financial advantages, in any form, from third parties for the performance of the concession contract;
  - (e) revenue from sales of any assets which are part of the concession contract;
  - (f) the value of all the supplies and services that are made available to the concessionaire by the Council, provided that they are necessary for executing the works or providing the services;
  - (g) any prizes or payment.
- 4.3 Contracts shall not be subdivided with the effect of preventing it from falling within the scope of these Rules, thresholds or any relevant OJEU Regulations.
- 4.4 Re-occurring Contracts shall not be put in place with the effect of preventing it from falling within the scope of these Rules, thresholds or any relevant OJEU Regulations. Spend must be aggregated where it is appropriate to do so, whether that is within Council departments, or across multiple departments for the same scope of work; to ensure value for money is achieved and reduce the duplication of work. Examples of where aggregate spend would be appropriate includes (but is not be limited to):
- One department spot purchasing similar pieces of work on a regular basis throughout the financial year;
  - Multiple Council departments purchasing the same services under different contracts; and
  - Individual contracts being kept under a certain threshold to avoid procurement obligations within these Rules.

## **5 Contract Term**

- 5.1 The term of a Contract should not exceed five years in total (including any potential extension options), without the written approval of the relevant service Director. This must be gained prior to the procurement process commencing.



- 5.2 Framework agreements must not exceed four years. Call-off contracts based on framework agreements may be longer than four years, and may extend beyond the expiry date of the framework.

## **6 Procurements valued under £10,000**

- 6.1 Officers will need to ensure they have the relevant budget approved and available prior to embarking upon a procurement process. This approval will be from the Budget Holder, in accordance with budget authorisation limits (as outlined in the Financial Procedure Rules). Please see [2.9.1](#) for further information. Officers also need to speak to their Manager about any further approvals required outside of these Rules, as well as whether or not approval to procure is required.
- 6.2 Where the contract has a [total value](#) below £10,000, Officers are required to seek at least one written quotation. Value for money remains a primary objective and so Officers may decide to seek more than one quotation to ensure that objective is achieved.
- 6.3 Quotations can be submitted via email, preferably in PDF format to prevent tampering or accusations thereof; the onus will be on the bidder to make this decision. Quotations are not to be “opened” prior to the deadline for return, if one is given (not applicable if only one quote is being sought).
- 6.4 The quotation(s) must be received before any order is processed and must include the following information:
- a) A description of the goods, services or works to be supplied;
  - b) When and where they will be supplied;
  - c) The total value of the requirement; and
  - d) Payment terms.

In some instances Officers may need to consider [TUPE](#) implications.

- 6.5 Approval to award at this value will be in writing from the budget holder. The Contract or Purchase Order must be approved/signed by the relevant Budget Manager in accordance with budget authorisation limits (as outlined in the Financial Procedure Rules) via the Council’s Corporate Financial System (electronic Purchase Order).

If a Council Officer or Supplier needs to sign contract documentation electronically, please speak to Legal Services for advice and guidance on the use of electronic signatures.

- 6.6 Where the value of the contract is £5,000 and above, the resultant contract must be added to the Contract Register to ensure compliance with Transparency Regulations.

- 6.7 It is the Officer's responsibility to carry out [due diligence](#) on successful suppliers, both at Contract Award, and for the duration of the Contract.

## **7 Procurements valued between £10,000 and £49,999**

- 7.1 Officers will need to ensure they have the relevant budget approved and available prior to embarking upon a procurement process. This approval will be from the Budget Holder, in accordance with budget authorisation limits (as outlined in the Financial Procedure Rules). Please see [2.9.1](#) for further information. Officers also need to speak to their Manager about any further approvals required outside of these Rules, as well as whether or not approval to procure is required.
- 7.2 Where the contract has a [total value](#) between £10,000 and £49,999 at least three comparable quotations must be obtained in writing (email is acceptable). Those quotations can be invited from identified suppliers as advertising is not mandatory.

For contracts with a [total value](#) of £25,000 or more, if the Council chooses to advertise a quotation, for example because:

- The Officer cannot immediately identify three potential suppliers to invite to quote; and/or
- The procurement opportunity is either politically sensitive or high profile then it must be simultaneously advertised via Welland Procurement on Contracts Finder.

- 7.3 Where Welland are instructed to support the procurement, the Officer must complete a Procurement Initiation Document (PID), available on the [procurement portal](#), prior to the commencement of the procurement process (at pre-procurement stage).
- 7.4 It is recommended that the Request for Quotation Template document is used which can be obtained from the [procurement portal](#). In any case the criteria for selecting the most advantageous quotation must be established before the quotations are invited and be made clear in the procurement documentation. The quotations must contain (as a minimum):
- a) The goods, services or works to be supplied;
  - b) The "where" and "when" they are to be supplied;
  - c) The total value;
  - d) Instructions to bidders:
    - a. Evaluation criteria
    - b. How to respond
    - c. How clarification messages are to be asked (who sent to, any deadlines for messages)
    - d. Information bidders need to include within response
    - e. Deadline for responses (day and time); and
  - e) The short form terms and conditions to be applied (available on the [procurement portal](#)).

In some instances Officers may need to consider [TUPE](#) implications.

- 7.5 At least one of the suppliers invited to submit a quotation should be local, where local means the Borough of Melton. Where a local supplier cannot be identified, the Officer must keep a written record of the reason.
- 7.6 Where fewer than three potential suppliers can be identified, the Officer must keep a written record of the reason and all potential suppliers should be invited to quote. It is accepted that the Officer may received fewer than three quotations even where three or more suppliers have been invited to quote.
- 7.7 As part of the procurement process (quotation), potential bidders can seek clarification on either the information published or the process itself.

The nature of any clarification or response from the Council must not materially change the scope/substance of the requirement. If it does, you may need to abandon the process and restart, using revised documentation. Please discuss this with Welland Procurement.

- All requests for clarification and questions relating to the quote (and its associated documents) must be submitted as per the instruction document (via email or ProContract)
- The Council must respond to all clarifications as soon as possible (via email or ProContract)
- A copy of all requests for clarifications and the responses must be anonymised and published to all potential bidders (who have either been invited to quote, or have expressed an interest in the quote) where the clarification and response are not considered confidential
- If a potential bidder wishes the Council to treat a clarification as confidential and therefore not publish the response to all, it must state this when submitting the clarification. If in the opinion of the Council, the clarification is not confidential, the Council will publish it in an anonymised format
- Officers must state a deadline for receipt of clarifications
- Officers must keep a record of communications between potential bidders and the Council

Unless it is part of a clarification and the above is observed, Officers must not:

- Make contact with suppliers/potential bidders
- Send information to suppliers/potential bidders

If a supplier/potential bidder makes contact with an Officer, they should advise them that messages must be submitted as per the instruction document; via email or ProContract.

- 7.8 Quotations can be submitted via email, preferably in PDF format to prevent tampering or accusations thereof; the onus will be on the bidder to make this decision. Quotations are not to be “opened” prior to the deadline for return, if one is given.

- 7.9 The Officer must keep copies of the Council's procurement documentation as well as copies of all quotations received and any communication between the Council and the successful bidder. These documents should be stored in the Council's central Procurement filing system: [Q:\21 Procurement](#).
- 7.10 Evaluation of the quotations received must be carried out using the evaluation criteria identified in the procurement documentation. Any subjective evaluation (such as quality) must be carried out independently by a minimum of two evaluators (preferably three), and then moderated by an independent moderator to reach a final agreed score. The evaluators should be fully briefed on the evaluation process. The 'Conflict of Interest Declaration – Confidentiality Agreement' on the [procurement portal](#) gives further guidance on evaluation principles and best practice; it is advisable to ask all evaluators to complete, sign and return this document to the Council lead. Welland Procurement can act as the independent moderator but cannot undertake any scoring. Clarification questions may be asked where responses would not result in a material change of the bid received.
- 7.11 Contract award must be approved as per [2.9](#) of this document.
- 7.12 The contract or terms and conditions must be signed by a member of the Senior Leadership Team or a person authorised by them in accordance with the delegation scheme.

If a Council Officer or Supplier needs to sign contract documentation electronically, please speak to Legal Services for advice and guidance on the use of electronic signatures.

- 7.13 The resultant contract must be added to the Council's Contract Register to ensure compliance with Transparency Regulations. All signed contracts must be scanned in and saved to the relevant Directorate within [Q:\17 Legal Services\17\\_09 Contracts Register\Contracts](#). Officers must then provide Legal Services with any paper copies of the Contract for the subsequent storage and safe keeping.
- 7.14 An award notice is required on Contracts Finder for all Contracts with a [total value](#) of £25,000 or above. Welland Procurement is responsible for such award notices. If an Officer has managed the procurement process without assistance from Welland Procurement, they must formally advise them of the award details, so that they can publish the award notice.
- 7.15 It is the Officer's responsibility to carry out [due diligence](#) on successful suppliers, both at Contract Award, and for the duration of the Contract.

## **8 Procurements Valued between £50,000 and the Current Goods and Services OJEU Threshold**

- 8.1 Officers will need to ensure they have approval to procure (as well the relevant budget approved and available) prior to embarking upon a

procurement process (as per [2.9](#) of this document). Officers also need to speak to their Manager about any further approvals required outside of these Rules.

- 8.2 Welland Procurement should be notified in respect of all contracts with a [total value](#) between £50,000 and the current goods and services OJEU Threshold because a single stage/open tender process must be completed. This means that all interested suppliers are eligible to submit a Tender.
- 8.3 Where Welland are instructed to support the procurement, the Officer must complete a Procurement Initiation Document (PID), available on the [procurement portal](#), prior to the commencement of the procurement process (at pre-procurement stage).
- 8.4 The procurement must be advertised on Contracts Finder, Welland Procurement is responsible for managing this advertising.
- 8.5 The procurement will be managed using an electronic tendering system; the Officer must therefore contact Welland Procurement to access that system.
- 8.6 It is recommended that the Open Tender Document One and Document Four Template documents are used, in any case the Officer must ensure that the required Standard Suitability Questions are used – these can be requested from Welland Procurement. The Officer must ensure that all relevant procurement documents are finalised before the procurement is advertised, these will include at least the Specification, Long Form Terms and Conditions of Contract (available on the [procurement portal](#)), [TUPE information](#) (where applicable) and evaluation criteria.
- 8.7 As part of the procurement process (tender), potential bidders can seek clarification on either the information published or the process itself.

The nature of any clarification or response from the Council must not materially change the scope/substance of the requirement. If it does, you may need to abandon the process and restart, using revised documentation. Please discuss this with Welland Procurement.

- All requests for clarification and questions relating to the tender (and its associated documents) must be submitted as per the instruction document (via ProContract)
- The Council must respond to all clarifications as soon as possible (via ProContract)
- A copy of all requests for clarifications and the responses must be anonymised and published to all potential bidders (who have expressed an interest in the tender) where the clarification and response are not considered confidential
- If a potential bidder wishes the Council to treat a clarification as confidential and therefore not publish the response to all, it must state this when submitting the clarification. If in the opinion of the Council, the

clarification is not confidential, the Council will publish it in an anonymised format

- Officers must state a deadline for receipt of clarifications
- Officers must keep a record of communications between potential bidders and the Council

Unless it is part of a clarification and the above is observed, Officers must not:

- Make contact with suppliers/potential bidders
- Send information to suppliers/potential bidders

If a supplier/potential bidder makes contact with an Officer, they should advise them that messages must be submitted as per the instruction document; via ProContract.

- 8.8 Tenders will be received via the electronic tendering system. An Officer or a representative of Welland Procurement will be responsible for opening tenders.
- 8.9 Tenders must be evaluated in accordance with the advertised evaluation criteria, clarification questions may be asked as long as the response would not have the affect of materially changing the tender received. Any subjective evaluation (such as quality) must be carried out independently by a minimum of two evaluators (preferably three), and then moderated by an independent moderator to reach a final agreed score. The evaluators should be fully briefed on the evaluation process. The 'Conflict of Interest Declaration – Confidentiality Agreement' on the [procurement portal](#) gives further guidance on evaluation principles and best practice; this form must be completed, signed and returned to the procurement lead. Welland Procurement can act as the independent moderator but cannot undertake any scoring.
- 8.10 The bidder with the highest evaluation score will be awarded the contract. If this is not the case, the advice of Welland Procurement must be sought prior to award.
- 8.11 Contract award must be approved as per [2.9](#) of this document.
- 8.12 All bidders must be notified of the Award decision simultaneously in writing (via the Council's electronic tendering system) by the Officer (or the Welland Procurement Unit), whether or not their bid was successful.
- 8.13 The contract will require sealing, please see Section [15.11](#) below.
- 8.14 The resultant contract must be added to the Council's Contract Register to ensure compliance with Transparency Regulations. All signed contracts must be scanned in and saved to the relevant Directorate within [Q:\17 Legal Services\17\\_09 Contracts Register\Contracts](#). Officers must then provide Legal Services with any paper copies of the Contract for the subsequent storage and safe keeping.
- 8.15 The Officer must keep the following records:

- a) A record of all decisions from pre to post procurement;
- b) The method of obtaining tenders;
- c) Tender documents produced by the Council;
- d) Tenders received from bidders. The successful tender should be retained for at least the life of the contract. Unsuccessful tenders should be retained for the first 12 months of the contract;
- e) A written record of the evaluation;
- f) A record of the Award approval;
- g) A signed copy of the Contract which should be retained for the life of the contract and in normal circumstances for 6 years thereafter;
- h) Communications to and from bidders during the procurement process.

These documents should be stored in the Council's central Procurement filing system: [Q:\21 Procurement](#).

- 8.16 Where an Agent has managed the procurement on behalf of the Council, the Officer must ensure that the above documents are returned to the Council upon completion of the process and stored as detailed in clause [8.15](#) above.
- 8.17 An award notice is required on Contracts Finder; Welland Procurement is responsible for such award notices. If an Officer has managed the procurement process without assistance from Welland Procurement, they must formally advise them of the award details, so that they can publish the award notice.
- 8.18 It is the Officer's responsibility to carry out [due diligence](#) on successful suppliers, both at Contract Award, and for the duration of the Contract.

## **9 Procurements for Works Contracts Valued between the Goods and Services OJEU Threshold and the Works OJEU Threshold**

- 9.1 Officers will need to ensure they have approval to procure (as well the relevant budget approved and available) prior to embarking upon a procurement process (as per [2.9](#) of this document). Officers also need to speak to their Manager about any further approvals required outside of these Rules.
- 9.2 Welland Procurement should be instructed for all Works contracts with a [total value](#) between the Goods and Services OJEU Threshold and the Works OJEU Threshold. The authorised Officer can choose either a single stage/open tender or two stage/restricted process.
- 9.3 The procurement must be advertised on Contracts Finder, Welland Procurement is responsible for managing this advertising.
- 9.4 The procurement will be managed using an electronic tendering system; the Officer must therefore contact Welland Procurement to access that system.



- 9.5 It is recommended that the Open Tender Document One and Document Four Template documents or Restricted Tender Template are used. In any case, the Officer must ensure that the required Standard Suitability Questions are used – these can be requested from Welland Procurement. The Officer must ensure that all relevant procurement documents are finalised before the procurement is advertised, these will include at least the Specification, Long Form Terms and Conditions of Contract (available on the [procurement portal](#)), [TUPE information](#) (where applicable) and evaluation criteria.
- 9.6 Where conducting a two stage/restricted process, Officers should use the PAS91 PQQ for works contracts (including the procurement of goods and services needed in relation to the works).
- 9.7 Tenders will be received via the electronic tendering system. An Officer or a representative of Welland Procurement will be responsible for opening the tenders.
- 9.8 As part of the procurement process (tender), potential bidders can seek clarification on either the information published or the process itself. This must be conducted as per [8.7](#) of this document.
- 9.9 Tenders must be evaluated in accordance with the advertised weighted evaluation criteria, clarification questions may be asked as long as the response would not have the affect of materially changing the tender received. Any subjective evaluation (such as quality) must be carried out independently by a minimum of two evaluators (preferably three), and then moderated by an independent moderator to reach a final agreed score. The evaluators should be fully briefed on the evaluation process. The 'Conflict of Interest Declaration – Confidentiality Agreement' on the [procurement portal](#) gives further guidance on evaluation principles and best practice; this form must be completed, signed and returned to the procurement lead. Welland Procurement can act as the independent moderator but cannot undertake any scoring.
- 9.10 The bidder with the highest evaluation score will be awarded the contract. If this is not the case, the advice of Welland Procurement must be sought prior to award.
- 9.11 Contract award must be approved as per [2.9](#) of this document..
- 9.12 All bidders must be notified of the Award decision simultaneously in writing (via the Council's electronic tendering system) by the Officer (or the Welland Procurement Unit), whether or not their bid was successful
- 9.13 The contract will require sealing, please see Section [15.11](#) below.
- 9.14 The details of the resultant contract must be added to the Council's Contract Register to ensure compliance with Transparency Regulations. All signed contracts must be scanned in and saved to the relevant Directorate within [Q:\17 Legal Services\17\\_09 Contracts Register\Contracts](#). Officers must then



provide Legal Services with any paper copies of the Contract for the subsequent storage and safe keeping.

- 9.15 The Officer must keep the following records:
- a) A record of all decisions from pre to post procurement;
  - b) The method of obtaining tenders;
  - c) Tender documents produced by the Council;
  - d) Tenders received from bidders. The successful tender should be retained for at least the life of the contract. Unsuccessful tenders should be retained for the first 12 months of the contract;
  - e) A written record of the evaluation;
  - f) A record of the Award approval;
  - g) A signed copy of the Contract which should be retained for the life of the contract and in normal circumstances for 6 years thereafter;
  - h) Communications to and from bidders during the procurement process

These documents should be stored in the Council's Central Procurement Filing System: [Q:\21 Procurement](#).

- 9.16 Where an Agent has managed the procurement on behalf of the Council, the Officer must ensure that the above documents are returned to the Council upon completion of the process and stored as detailed in clause [9.15](#) above.
- 9.17 An award notice is required on Contracts Finder; Welland Procurement is responsible for such award notices. If an Officer has managed the procurement process without assistance from Welland Procurement, they must formally advise them of the award details, so that they can publish the award notice.
- 9.18 It is the Officer's responsibility to carry out [due diligence](#) on successful suppliers, both at Contract Award, and for the duration of the Contract.

## **10 Procurements Valued Over the Relevant OJEU Threshold**

- 10.1 Officers will need to ensure they have approval to procure (as well the relevant budget approved and available) prior to embarking upon a procurement process (as per [2.9](#) of this document). Officers also need to speak to their Manager about any further approvals required outside of these Rules.
- 10.2 Where the anticipated [total value](#) of the contract exceeds the relevant OJEU threshold, the formal advice of Welland Procurement must be sought as early as possible and in any case before any procurement activity takes place.
- 10.3 All goods, services and works with a procurement [total value](#) in excess of the relevant [OJEU threshold](#) are enforced by the Public Contracts Regulations 2015, and over threshold public works concessions and public services concessions are enforced by the Concessions Contracts Regulations 2016. These Regulations set out strict processes that have to be followed, as well

as remedies available to suppliers. The European legal framework for public procurement is composed of the principles deriving from the Treaty on the Functioning of the European Union (TFEU):

- a) equal treatment;
- b) non-discrimination;
- c) mutual recognition;
- d) proportionality; and
- e) transparency.

Officers must comply with these Regulations and principles at all times.

- 10.4 Where the Officer is following one of the below procurement processes, the number of bidders invited to tender or to conduct a dialogue can be limited (out of those meeting the selection criteria). This must be indicated in the contract notice and the tender documentation (shortlisting criteria, the minimum number of candidates the Officer intends to invite and, where applicable the maximum number).
- a) In the restricted procedure, the minimum number of candidates shall be 5.
  - b) In the competitive procedure with negotiation, the competitive dialogue procedure and the innovation partnership procedure, the minimum number of candidates shall be 3.

Where the number of candidates meeting the selection criteria and the minimum levels of ability is below this minimum number, the Officer may continue the procedure by inviting the candidates with the required capabilities, but must record the reason for doing so.

- 10.5 The Officer must:
- a) adhere to the minimum timescales stipulated in the Regulations;
  - b) ensure the specification clearly describes the intended outcomes or outputs, and that it is complete and fair;
  - c) assess the quality of tenders as per the Regulations;
  - d) ensure the evaluation criteria (and any sub criteria) is disclosed in the Tender documentation and advertisements;
  - e) ensure the Contract terms and conditions allow for modification, should the total value increase or decrease due to amended volumes/values;
  - f) treat selection and award criteria separately.
- 10.6 The Officer must complete a Procurement Initiation Document (PID), provided by the Welland Procurement Unit prior to the commencement of the procurement process (at pre-procurement stage).
- 10.7 The procurement must be advertised on Contracts Finder and in the OJEU, Welland Procurement is responsible for managing this advertising.
- 10.8 The procurement will be managed using an electronic tendering system; the Officer must therefore contact Welland Procurement to access that system.

- 10.9 As part of the procurement process (tender), potential bidders can seek clarification on either the information published or the process itself. This must be conducted as per [8.7](#) of this document.
- 10.10 Tender Document One and Document Four Template documents must be used, which ensures the required Standard Suitability Questions are used – these can be requested from Welland Procurement. The Officer must ensure that all relevant procurement documents are finalised before the procurement is advertised, these will include at least the Specification, Long Form Terms and Conditions of Contract (available on the [procurement portal](#)), [TUPE information](#) (where applicable) and evaluation criteria.
- 10.11 Tenders will be received via the electronic tendering system. A representative of Welland Procurement will be responsible for opening tenders.
- 10.12 Tenders must be evaluated in accordance with the advertised evaluation criteria, clarification questions may be asked as long as the response would not have the affect of materially changing the tender received. Any subjective evaluation (such as quality) must be carried out independently by a minimum of two evaluators (preferably three), and then moderated by an independent moderator to reach a final agreed score. The evaluators should be fully briefed on the evaluation process. The ‘Conflict of Interest Declaration – Confidentiality Agreement’ on the [procurement portal](#) gives further guidance on evaluation principles and best practice; this form must be completed, signed and returned to the procurement lead. Welland Procurement can act as the independent moderator but cannot undertake any scoring.
- 10.13 The bidder with the highest evaluation score will be awarded the contract, as per the award criteria detailed.
- 10.14 Contract award must be approved as per [2.9](#) of this document.
- 10.15 All bidders must be notified of the Award decision simultaneously in writing (via the Council’s electronic tendering system) by the Officer (or the Welland Procurement Unit), whether or not their bid was successful. The letters must include:
- a) the award criteria;
  - b) the name of the successful bidder(s);
  - c) the score of the recipient;
  - d) the score of the successful bidder(s);
  - e) details of the reason for the decision, including the characteristics and relative advantages of the successful tender; and
  - f) confirmation of the date before which the contracting authority will not enter into the contract or framework agreement (i.e., the date after the end of the standstill period).
- 10.16 The contract will require sealing, please see Section [15.11](#) below.
- 10.17 The resultant contract must be added to the Council’s Contract Register to ensure compliance with Transparency Regulations. All signed contracts must

be scanned in and saved to the relevant Directorate within [Q:\17 Legal Services\17\\_09 Contracts Register\Contracts](#). Officers must then provide Legal Services with any paper copies of the Contract for the subsequent storage and safe keeping.

- 10.18 The Officer must keep the following records:
- a) A record of all decisions from pre to post procurement;
  - b) The method of obtaining tenders;
  - c) Tender documents produced by the Council;
  - d) Tenders received from bidders. The successful tender should be retained for at least the life of the contract. Unsuccessful tenders should be retained for the first 12 months of the contract;
  - e) A written record of the evaluation;
  - f) A record of the Award approval;
  - g) A signed copy of the Contract which should be retained for the life of the contract and in normal circumstances for 6 years thereafter;
  - h) Communications to and from bidders during the procurement process.

These documents should be stored in the Council's central Procurement filing system: [Q:\21 Procurement](#).

- 10.19 Where an Agent has managed the procurement on behalf of the Council, the Officer must ensure that the above documents are returned to the Council upon completion of the process and stored as detailed in clause [10.18](#) above.

- 10.20 An award notice is required on Contracts Finder and in the OJEU; Welland Procurement is responsible for such award notices. If an Officer has managed the procurement process without assistance from Welland Procurement, they must formally advise them of the award details, so that they can publish the award notices.

- 10.21 It is the Officer's responsibility to carry out [due diligence](#) on successful suppliers, both at Contract Award, and for the duration of the Contract.

## **11 Purchasing from a Framework Agreement or Dynamic Purchasing System (DPS)**

- 11.1 Officers will need to ensure they have the relevant budget approved and available prior to embarking upon a procurement process. This approval will be from the Budget Holder, in accordance with budget authorisation limits (as outlined in the Financial Procedure Rules). Please see [2.9.1](#) for further information. Officers also need to speak to their Manager about any further approvals required outside of these Rules, as well as whether or not approval to procure is required.

- 11.2 For Contracts with a [total value](#) of £50,000 or more, Officers will need to ensure they have approval to procure prior to embarking upon a procurement process (as per [2.9](#) of this document).

- 11.3 A contract of any value can be procured via a framework agreement or DPS. Compliance with these Rules and relevant national and EU law is achieved through compliance with the framework agreement/DPS terms and conditions. This will involve:
- reviewing relevant Framework guidance document(s)
  - reviewing the correct process for call off (which may be through further competition or direct award)
  - following the stated call off process, as laid out in the Framework documentation

As part of the procurement process (call off), potential bidders can seek clarification on either the information published or the process itself. This must be conducted as per [8.7](#) of this document.

Please speak to Welland Procurement for further advice regarding Framework and call off compliance.

- 11.4 For the avoidance of doubt, a framework agreement or DPS is considered a compliant procurement route where:
- a) It has been entered into by the Council in compliance with these Rules; or
  - b) Another contracting authority, purchasing consortium or Central Government has tendered the framework agreement or DPS in compliance with national and EU procurement law and the Council is named as a potential user of the arrangement.

This section applies to call offs in the circumstances detailed in both 11.4(a) and 11.4(b) above.

- 11.5 In some instances Officers may need to consider [TUPE](#) implications.

- 11.6 Contract award must be approved as per [2.9](#) of this document.

- 11.7 The contract must be signed/sealed in line with the appropriate Rule, dependent on the [total value](#) of the contract.
- Procurements valued under £10,000 see [Rule 6.5](#)
  - Procurements valued between £10,000 and £49,999 see [Rule 7.12](#)
  - Procurements valued between £50,000 and Current Goods and Services OJEU Threshold see [Rule 8.13](#)
  - Procurements for Works Contracts Valued between the Goods and Services OJEU Threshold and the Works OJEU Threshold see [Rule 9.13](#)
  - Procurements valued over the Relevant OJEU Threshold see [Rule 10.16](#)

If a Council Officer or Supplier needs to sign contract documentation electronically, please speak to Legal Services for advice and guidance on the use of electronic signatures.

- 11.8 Where the Council is using an external framework, and the [total value](#) of the contract is £5,000 or above, the resultant contract must be added to the Contract Register to ensure compliance with Transparency Regulations.

Where the Council has set up a framework, only the framework is necessary to be recorded on the register. It is not necessary to record the individual call-offs from the framework.

- 11.9 Signed contracts that have a [total value](#) of £10,000 or more must be scanned in and saved to the relevant Directorate within [Q:\17 Legal Services\17\\_09 Contracts Register\Contracts](#). Officers must then provide Legal Services with any paper copies of the Contract for the subsequent storage and safe keeping.
- 11.10 Where the contract has a [total value](#) of £25,000 or above an award notice is required on Contracts Finder. The Officer must formally advise Welland Procurement of the award details, so that they can publish the award notice.
- 11.11 It is the Officer's responsibility to carry out [due diligence](#) on successful suppliers, both at Contract Award, and for the duration of the Contract.

## **12 Setting up a Framework Agreement**

- 12.1 Officers will need to ensure they have the relevant budget approved and available prior to embarking upon a procurement process. This approval will be from the Budget Holder, in accordance with budget authorisation limits (as outlined in the Financial Procedure Rules). Please see [2.9.1](#) for further information. Officers also need to speak to their Manager about any further approvals required outside of these Rules, as well as whether or not approval to procure is required.
- 12.2 Framework agreements set out the general terms under which specific purchases ("call offs") can be made under the agreement. The purpose of using a framework is to enable contracting authorities to award individual contracts without going through a full procurement process each time. A framework agreement may be established with one supplier ("single supplier frameworks") or with more than one ("multiple supplier frameworks").
- 12.3 The minimum number of suppliers for a multiple supplier framework is two.
- 12.4 Framework agreements must not exceed four years. Call-off contracts based on framework agreements may be longer than four years, and may extend beyond the expiry date of the framework.
- 12.5 Framework agreements should be set up to allow for mini-competitions to run as the first option for selecting a supplier. Where this is not the case, Welland Procurement Unit should be consulted.

- 12.6 As part of the procurement process (either the creation of the Framework or any subsequent call off), potential bidders can seek clarification on either the information published or the process itself. This must be conducted as per [8.7](#) of this document.
- 12.7 As Framework agreements are “closed” for the term, consideration should be given to the impact of this, and ensure that the benefits and length of the Framework are justified.
- 12.8 Formal advice from Welland Procurement must be sought as early as possible and in any case before any procurement activity takes place. The relevant Rules and Regulations should be followed according to the [total potential value](#) of the Framework (the value to be taken into consideration shall be the maximum estimated value net of VAT of all the contracts envisaged for the total term of the framework agreement). It is the Officer’s responsibility to monitor and track the spend against the framework.
- 12.9 Signed Framework Agreements that have a [total value](#) of £10,000 or more must be scanned in and saved to the relevant Directorate within [Q:\17 Legal Services\17\\_09 Contracts Register\Contracts](#). Officers must then provide Legal Services with any paper copies of the Contract for the subsequent storage and safe keeping.

If a Council Officer or Supplier needs to sign contract documentation electronically, please speak to Legal Services for advice and guidance on the use of electronic signatures.

- 12.10 Where the Council has set up a framework, details of the framework itself must be recorded on the Council’s Contract Register. The estimated value of the framework must be recorded and all of the suppliers associated with the framework must be listed. Any other relevant detail to the mechanics of the framework must also be recorded so the suppliers can be searched and found in the Register and cross referenced with Council spend.

Where the Council has set up a framework, only the framework is necessary to be recorded on the register. It is not necessary to record the individual call-offs from the framework.

- 12.11 It is the Officer’s responsibility to carry out [due diligence](#) on successful suppliers, both at Contract Award, and for the duration of the Contract.

### **13 Setting up a Dynamic Purchasing System (DPS)**

- 13.1 Officers will need to ensure they have the relevant budget approved and available prior to embarking upon a procurement process. This approval will be from the Budget Holder, in accordance with budget authorisation limits (as outlined in the Financial Procedure Rules). Please see [2.9.1](#) for further information. Officers also need to speak to their Manager about any further



approvals required outside of these Rules, as well as whether or not approval to procure is required.

- 13.2 A Dynamic Purchasing System (DPS) is similar to an electronic framework agreement, with two exceptions, new suppliers can join at any time and it is to be run as a completely electronic process.
- 13.3 Dynamic Purchasing Systems are used exclusively by public sector organisations. They save time and money by being a quick and easy way to access goods, services and works through an OJEU compliant route.
- 13.4 There is no maximum term for a DPS; the period of validity of the DPS should be indicated in the call for competition. As per [Rule 5](#), written approval for a DPS longer than five years must be sought from the relevant service Director. This must be gained prior to the procurement process commencing.
- 13.5 All bidders that meet the selection criteria shall be admitted to the DPS, and the number of bidders accepted on to the DPS shall not be limited.
- 13.6 Formal advice from Welland Procurement must be sought as early as possible and in any case before any procurement activity takes place. The relevant Rules and Regulations should be followed according to the [total potential value](#) of the DPS (the value to be taken into consideration shall be the maximum estimated value net of VAT of all the contracts envisaged for the total term of the DPS). It is the Officer's responsibility to monitor and track the spend against the framework.
- 13.7 As part of the procurement process (either the creation of the DPS or any subsequent call off), potential bidders can seek clarification on either the information published or the process itself. This must be conducted as per [8.7](#) of this document.
- 13.8 There is no obligation to notify DPS suppliers of a decision to award a contract under a DPS, to provide a de-brief or to run a standstill period.
- 13.9 There is a requirement to publish a contract award notice in the OJEU for contracts awarded using a DPS. The contract award notice must be dispatched to the OJEU within 30 days of the contract award. Contract award notices can be grouped together and published on a quarterly basis within 30 days of the end of each quarter. The Officer must formally advise Welland Procurement of the award details, so that they can publish the award notice.
- 13.10 Contracting authorities are also required to publish information on Contracts Finder in respect of contracts awarded under a DPS for contracts with a [total value](#) of £25,000 or above. Publication on Contracts Finder is required within a "reasonable time" (no longer than 90 days following contract award).
- 13.11 Signed DPS Agreements that have a [total value](#) of £10,000 or more must be scanned in and saved to the relevant Directorate within [Q:\17 Legal Services\17\\_09 Contracts Register\Contracts](#). Officers must then provide



Legal Services with any paper copies of the Contract for the subsequent storage and safe keeping.

If a Council Officer or Supplier needs to sign contract documentation electronically, please speak to Legal Services for advice and guidance on the use of electronic signatures.

- 13.12 Where the Council has set up a DPS, details of the DPS itself must be recorded on the Council's Contract Register. The estimated value of the DPS must be recorded and all of the suppliers associated with the DPS. Any other relevant detail to the mechanics of the DPS must also be recorded so the suppliers can be searched and found in the register and cross referenced with council spend.

Where the Council has set up a DPS, only the DPS is necessary to be recorded on the register. It is not necessary to record the individual call-offs from the DPS.

- 13.13 It is the Officer's responsibility to carry out [due diligence](#) on successful suppliers, both at Contract Award, and for the duration of the Contract.

## **14 Public Services (Social Value) Act 2012**

- 14.1 The Public Services (Social Value) Act requires people who commission public services to think about how they can also secure wider social, economic and environmental benefits.
- 14.2 Before starting a procurement process, the Officer should think about whether the services they are going to buy, or the way they are going to buy them, could secure these benefits for their area or stakeholders.
- 14.3 When considering this potential improvement, only what is relevant to the particular procurement should be taken into account, as well as whether or not it is proportionate.
- 14.4 The Officer must consult Welland Procurement for advice on specifying requirements under Social Value, and how to evaluate tenders against these requirements.

## **15 Other Matters to Consider**

These Rules are relevant to all Contracts with a [total value](#) above £10,000.

### **15.1 Conflict of Interest**

- 15.1.1 Clause [2.13](#) and [2.19](#) define when a conflict of interest must be declared.

15.1.2 For contracts with a [total value](#) of £50,000 or more, all Officers, Members and other stakeholders involved in procuring for the Council must sign a Declaration of Interest form at the start of the procurement process. This form is available on the [procurement portal](#).

For contract with a [total value](#) of between £10,000 and £50,000, it is advisable that all Officers, Members and other stakeholders involved in procuring for the Council sign a Declaration of Interest form at the start of the procurement process. This form is available on the [procurement portal](#).

15.1.3 This form must be kept on file during the procurement itself and the contract term.

## 15.2 Abnormally Low Bids

15.2.1 Under the Public Contract Regulations 2015, the Council is required to request an explanation of the price or costs proposed in a tender where that price or those costs appear to be abnormally low in relation to the requirement.

15.2.2 Advice should be sought from Welland Procurement during this investigation process to ensure that the requirements of the Public Contract Regulations 2015 are adequately complied with.

## 15.3 Errors in Tenders

15.3.1 If it is identified that a bidder has made an error or omission that is “obvious”, the Officer can request the bidder to correct this, as long as:

- a) the Chief Officer has given written approval, and is in agreement that the error or omission was “obvious”;
- b) it has been determined that the bidder has gained no unfair advantage from correcting the error or omission; and
- c) any such corrections are recorded, along with the approval decision.

## 15.4 Receiving Late Submissions

15.4.1 Where a Tender/Quote has been received late (beyond the stated response deadline), the Officer must get written approval to either accept or reject the submission from the relevant Chief Officer **before** opening any of the responses. Late submissions must only be accepted in exceptional circumstances.

15.4.2 The Officer must record:

- a) the circumstances behind the late response;
- b) how late the response was received;

- c) if any advantage could have been gained by the bidder in submitting the late response (i.e. having longer to respond to the opportunity compared with other bidders); and
- d) the Chief Officer's decision to accept or reject the late response (based on the above points).

## 15.5 Receiving Irregular Tenders

15.5.1 Irregular tenders are those that:

- a) do not comply with the terms of the tender documents (i.e. fail to supply key information); or
- b) make reservations (i.e. if the pricing submitted contains conditions, when these are explicitly prohibited within the tender documentation).

15.5.2 If the Officer receives an irregular Tender, they shall immediately report this to the relevant Chief Officer.

15.5.3 The Chief Officer may accept the irregular tender if it has been determined that the bidder has gained no unfair advantage from the irregularity.

15.5.4 Any acceptance or rejection of irregular tenders shall be recorded in writing.

## 15.6 GDPR Requirements

15.6.1 The General Data Protection Regulations impose greater obligations on the Council to protect an individual's information.

15.6.2 Officers conducting a procurement process should ensure that the GDPR screening questions, available from Welland Procurement, are completed as early as possible in the planning stages of that procurement.

15.6.3 Should any of the GDPR screening questions be answered positively, further advice must be sought from the Council's Data Protection Officer before any further action is taken.

## 15.7 Freedom of Information

15.7.1 The Council has specific obligations under the FOI Act 2000, regarding disclosure of information. Officers have an obligation to record and maintain accurate records relating to Contracts, as well as complying with FOI requests.

15.7.2 Bidders should be asked to identify any information they supply that is confidential or commercially sensitive, and detail why they consider this the case. This justification should be considering when responding to FOI requests.

15.7.3 Any queries relating to this should be directed to the Council's Data Protection Officer.

## 15.8 Modern Slavery

15.8.1 The Council is committed to ensuring that modern slavery does not exist within its supply chains.

15.8.2 All procurements with a [total value](#) of £50,000 or more are required to include the Standard Selection Question regarding Modern Slavery Act compliance.

15.8.3 Where procurement is considered high risk in terms of modern slavery, for example transport and waste related procurements, additional award questions should be considered with advice from Welland Procurement.

15.8.4 Where a supplier is required to comply with the Modern Slavery Act, i.e. their turnover is above £36 million, that compliance should form part of the contract management (as per [15.10](#)).

15.8.5 A Modern Slavery Helpline is available on Tel: 08000 121 700 or [online](#). The Helpline provides information and advice about modern slavery, a 24 hour telephone reporting line and an online reporting function through the website.

## 15.9 Safeguarding Provisions in Contracts and Grant Arrangements

15.9.1 Any service engaged by the Council should be provided on the basis of agreed terms or a contract. Safeguarding compliance should be included in all arrangements. All services commissioned by the Council must operate within the requirements of the Council's Safeguarding Policy and meet the relevant legislative standards. Where appropriate, procuring officers will need to ensure that contractors demonstrate that they meet these requirements.

15.9.2 It is expected that the lead officer on any commissioning project be responsible for ensuring that any contract includes proper provision for the safeguarding of children, young people, and adults with care and support needs; this also includes making reasonable requests for evidence from suppliers that the requirements stated in the Safeguarding Policy (where applicable) are in place or ready to be implemented. Where there is any confusion about the need for the inclusion of safeguarding in a contract arrangement clarification and/or advice should be sought from the Safeguarding Lead.

## 15.10 Due Diligence

15.10.1 It is the Officer's responsibility to carry out due diligence on successful suppliers, both at Contract Award, and for the duration of the Contract. This will involve requesting, obtaining and maintaining records (and asking for appropriate evidence) of relevant due diligence, annual inspections and any future expiration/renewals. This may include (but not be limited to):

- a) Insurance certificates (new certificates to be requested upon expiry of the individual insurance policy);
- b) Details as required by the selection/suitability criteria asked as part of the procurement process (annually, upon anniversary of Contract start date):
  - i. Supplier policies
    - Quality Management
    - Environmental
    - Equality
    - Health and Safety
    - Data protection/GDPR
  - ii. Licences/certificates/registrations
  - iii. Business continuity plans
  - iv. Required training (and updates for staff (Council and supplier)
  - v. Staff certifications/qualifications (Council and staff); and
- c) A financial appraisal, which may include a financial credit check and / or a review of submitted financial information (as per the standard selection questionnaire). Each service area can access the Council's credit check facility, and where required Finance can undertake a financial ratio analysis. Further information is available within the Procurement Toolkit on the [procurement portal](#).

15.10.2 Before the contract commences (and regularly throughout the duration of a contract), contract managers should request and inspect key health and safety records to provide assurance that controls are operating effectively. The frequency of requests and types of records to be reviewed should be agreed and outlined as part of the procurement process. Records should include but not be limited to:

- Up to date Health and safety policies
- Risk Assessments
- COSHH assessment
- Induction and training records
- Fire safety logbooks (if applicable)
- PAT certificates
- Health and Safety inspections (as well as any actions arisen, and how they are being followed up on, reviewed and regularly monitored) and whether these are carried out by the Council or the supplier
- Accident reporting

15.10.3 Throughout the duration of the contract, Council Officer's must keep a record (and ask for appropriate evidence) of relevant due diligence as well as any future expiration/renewals.

## 15.11 Sealing a Contract

15.11.1 A contract must be sealed where:

15.11.1.1 The [total value](#) is over £50,000;

15.11.1.2 The Council wishes to enforce the contract for up to twelve years following its expiry (e.g. for land or construction works); or

15.11.1.3 The price paid or received under the contract is a nominal price and does not reflect the value of the goods, services or works; or

15.11.1.4 There is any doubt about the authority of the person signing for the other contracting party; or

15.11.1.5 A Bond is established on behalf of the Supplier(s) or their guarantors; or

15.11.1.6 Required by the Parties to the agreement; or

15.11.1.7 Where the Monitoring Officer deems it appropriate.

15.11.2 Where contracts are completed by each side adding their common seal, the affixing must be attested by or on behalf of the Council in accordance with the Constitution. The Director of Governance and Regulatory Services is responsible for the process of sealing a contract.

15.11.3 If a Council Officer or Supplier needs to sign contract documentation electronically, please speak to Legal Services for advice and guidance on the use of electronic signatures.

## 16 Exemptions

16.1 The exemptions listed in this Section do not apply to procurements with a [total value](#) above the relevant EU Threshold. The Officer must obtain a fully approved exemption in advance of awarding a contract, and must ensure that the actual spend does not exceed the [total value](#) stated in the approved exemption.

16.2 Officers will need to ensure they have the relevant budget approved and available prior to embarking upon a procurement process. This approval will be from the Budget Holder, in accordance with budget authorisation limits (as

outlined in the Financial Procedure Rules). Please see [2.9.1](#) for further information. Officers also need to speak to their Manager about any further approvals required outside of these Rules, as well as whether or not approval to procure is required.

- 16.3 Signed contracts that have a [total value](#) of £10,000 or more must be scanned in and saved to the relevant Directorate within [Q:\17 Legal Services\17\\_09 Contracts Register\Contracts](#). Officers must then provide Legal Services with any paper copies of the Contract for the subsequent storage and safe keeping.

If a Council Officer or Supplier needs to sign contract documentation electronically, please speak to Legal Services for advice and guidance on the use of electronic signatures.

- 16.4 Exemptions must be approved by the Director for Corporate Resources and the Director of Governance and Regulatory Services upon completion of the form at [Appendix 3](#) subject to one of more of the following criteria being fulfilled. If the justification being relied upon is as detailed in 16.4.2 below, the relevant Service Director will need to approve the exemption prior to it being submitted to the Director for Corporate Resources and the Director of Governance and Regulatory Services for approval.

16.4.1 No genuine competition: proprietary or patented goods or services; requirement of such a specialist nature that it can genuinely only be fulfilled by one person or organisation; compatibility with existing goods or services is required and where those existing goods or services can only be sourced from the same supplier.

16.4.2 There is a sound business case and/or an independent review that there is no value for money in running a full procurement process. Supporting evidence will need to demonstrate market testing and enquiries to other suppliers. This should not be used to avoid competition or where decisions to procure have been postponed and there are insufficient timelines to procure.

16.4.3 Genuine emergencies: critical preventative or remedial work where there is a real and imminent risk to the safety of people or property arising from hitherto unforeseen 'catastrophic' events or incidents, for example fire, bombing, landslide etc.

16.4.4 Urgent Situations not of the Council's own making: the urgency must have been reasonably unforeseeable (e.g. existing supplier going into liquidation) and genuinely be a case of time is of the essence. Urgency arising from the Council's own making (e.g. lack of planning) shall not justify an exemption. Where this exemption is used, a compliant procurement must be implemented as soon as possible.

16.4.5 Collaborative/Joint Procurement: where another authority/public body is acting as the 'lead buyer' and provided that the Officer can

demonstrate those arrangements comply with relevant Regulations and best practice.

16.4.6 Grants which the Council may receive or make: except where the grant is the form of payment for a contract for services where the Council specifies the output or outcomes to be delivered. The awarding of grants by the Council or on behalf of the Council must be carried out under the principles of openness, fairness, non-discrimination and value for money. Officers cannot choose to treat procurement as a grant in order to avoid conducting a competitive process.

16.4.7 Contracts for the execution of either mandatory works or provision of goods or services which must be provided by a Statutory Provider other than the Council. This includes but is not limited to public utility companies and other legal authorities.

16.5 Where the [total value](#) of the contract is £5,000 or more, the resultant contract must be added to the Contract Register to ensure compliance with Transparency Regulations.

16.6 An award notice is required on Contracts Finder for all Contracts with a [total value](#) of £25,000 or above. Welland Procurement is responsible for such award notices. Officers must formally advise Welland of the award details, so that they can publish the award notice.

## **17 Contract Management**

### **17.1 Contract Management**

17.1.1 The named Contract Manager should be noted in the Contract Register. All contracts must have a named Contract Manager for the entirety of the contract and that Contract Manager is responsible for the application of these Rules.

17.1.2 For all contracts with a [total value](#) over £50,000, the Contract Manager must identify the risks by maintaining a suitable risk register and ensure that suitable contingency measures are in place.

17.1.3 During the life of the contract, the Contract Manager must monitor the overall performance of the contract closely in order to ensure any issues of under performance are addressed as soon as possible and any areas of added value are identified as soon as possible.

17.1.4 Where a supplier intends to sub-contract, Officers must assess whether it is appropriate for the supplier to obtain a local quotation as part of this process, where local means the Borough of Melton.

### **17.2 Variations**



17.2.1 In any case where a variation means that the [total value](#) of a contract would exceed the relevant EU Threshold, or where there is any material change to the contract, the contract must be treated as a new procurement under these Rules.

If any variation (independently or cumulative) means that the [total value](#) of a contract would exceed a threshold set out in these Rules, Officers must seek advice from Welland Procurement.

17.2.2 A material change is one which:

17.2.2.1 Would have allowed the admission of other Bidders or the acceptance or another tender; or

17.2.2.2 Extends the scope of the contract considerably to goods, services or works not initially covered by the Specification; or

17.2.2.3 Changes the economic balance in favour of the contractor in a manner not provided for in the procurement documents.

17.2.3 For clarity, a change will be deemed immaterial if the value of the modification is both below the relevant EU Threshold and below 10% of the original contract value (15% for works contracts).

### 17.3 Extensions

17.3.1 A contract should not be extended beyond its initial term unless the contract documents allow.

17.3.2 A Framework Agreement shall only be extended if the contract documents and framework allow and the original term and extension together should not exceed four years except in exceptional circumstances.

17.3.3 Where a business need has been identified which means that a contract is required to be extended beyond the term permissible in the original contract documents, advice must be sought from Welland Procurement and the Council's legal team in the first instance and authority sought from the Monitoring Officer or the S151 Officer if such an extension is proposed.

If any extension (independently or cumulative) means that the [total value](#) of a contract would exceed a threshold set out in these Rules, Officers must seek advice from Welland Procurement.

17.3.4 The Officer must be satisfied that such an extension would achieve value for money and be reasonable in all circumstances. The Officer

must record the reasons for these conclusions in writing (i.e. the relevant decision record).

## **Appendix 1: Definitions**

Award Notice	A notice published in the OJEU and/or Contracts Finder which provides details of the winning bidder and the <a href="#">total value</a> of the contract. Award notices are required to be published on Contracts Finder for all procurements with a <a href="#">total value</a> at £25,000 or above.
Bidder	An individual or organisation who submits a tender or quotation in a competitive procurement process.
Candidate	An individual or organisation that has sought an invitation or has been invited to take part in a restricted procedure, a competitive procedure with negotiation, a negotiated procedure without prior publication, a competitive dialogue or an innovation partnership.
Conflict of interest	The concept of conflicts of interest shall at least cover any situation where relevant staff members have, directly or indirectly, a financial, economic or other personal interest which might be perceived to compromise their impartiality and independence in the context of the procurement procedure.
Constitution	The Constitution sets out how the Council operates, how decisions are made and the procedures which are followed to make sure these are efficient, transparent and accountable to local people.
Contract	A legal document that states and explains a formal agreement between two different parties.
Contracting Authority	Has the definition contained within the Public Contract Regulations 2015. It means the State, regional or local authorities, bodies governed by public law or associations formed by one or more such authorities or one or more such bodies governed by public law, and includes central government authorities, but does not include Her Majesty in her private capacity.
Contract management	Is the process of managing contract creation, execution and analysis to maximise operational and financial performance at an organisation, all while reducing financial risk.
Contract Register	A register that stores details of the Council's Contracts, including duration and expiry dates. All Contracts with a <a href="#">total value</a> of £5,000 and above must be entered onto the register.
Contract term	The length of the contract including the initial term and any extension periods proposed.
Corporate Contract	A contract that has already been let by the Council for the benefit of Council staff, to support value for money.
Dynamic Purchasing System (DPS)	Is similar to an electronic framework agreement, with two exceptions, new suppliers can join at any time and it is to be run as a completely electronic process.
EU Procedure	A procurement process where the <a href="#">total value</a> exceeds the relevant EU Threshold and so governed by the Public

	Contract Regulations 2015 and the Concessions Contracts Regulations 2016.
EU Threshold	The threshold established by the EU above which an EU procedure must be carried out. There are thresholds for goods/services, works and concessions. The current thresholds are contained within <a href="#">Appendix 2</a> .
Evaluation	The process of assessing received tenders or quotations against the published criteria to identify the winning bidder, i.e. the bidder with the highest evaluation score. Any subjective evaluation (such as quality) must be carried out independently by a minimum of two evaluators (preferably three), and then moderated by an independent moderator to reach a final agreed score. The evaluators should be fully briefed on the evaluation process. The 'Conflict of Interest Declaration – Confidentiality Agreement' on the <a href="#">procurement portal</a> gives further guidance on evaluation principles and best practice. Welland Procurement can act as the independent moderator but cannot undertake any scoring.
Exemption	An act or instance of waiving a right to obey these Rules.
Extension (contract)	An additional period identified within the contract, beyond the initial term which may be used to lengthen the contract term.
Framework Agreement	A framework is an agreement with suppliers to establish terms governing contracts that may be awarded during the life of the agreement. It is a general term for agreements that set out terms and conditions for making specific purchases (call-offs).
Goods	Tangible products that satisfy a need.
Initial Term	The initial period of a contract; this may be subsequently extended.
OJEU	The Official Journal of the European Union.
Procurement	Procurement is the process of finding, agreeing terms and acquiring goods, services or works from an external source, often via a tendering or competitive bidding process.
Publicly available contract	A contract that has been let by another Contracting Authority and which is available for use by the Council. The Council must have been named specifically or generally within the procurement documentation in order to enable access.
Quotation	A formal statement setting out the estimated cost for a particular job or service.
Services	A valuable action, deed, or effort performed to satisfy a need or to fulfil a demand.
Specification	An exact statement of the particular needs to be satisfied, or essential characteristics that a customer requires (in a good, material, method, process, service, system, or work) and which a bidder must deliver.

Standard Suitability Questions/Questionnaire	The set of standard suitability or selection questions referred to in <a href="#">PPN 08/16</a> which must be used in all advertised procurements.
Tender	A written invitation sent to potential suppliers of a good or service to inform them about the information required for the buyer to choose between them.
Terms and Conditions	General and special arrangements, provisions, requirements, rules, specifications, and standards that form an integral part of an agreement or contract.
<a href="#">TUPE</a>	Stands for the Transfer of Undertakings (Protection of Employment) Regulations 2006. TUPE regulations ensure the rights of employees are transferred along with the service.
Variation	An alteration to the scope, term or any other part of a Contract. The limitations of the Public Contract Regulations 2015 should be borne in mind when varying a contract.
Whole life costs	The total cost of ownership over the whole length of the contract and sometimes beyond.
Works	As defined by the Public Contract Regulations 2015. Means public contracts which have as their object any of the following:— (a) the execution, or both the design and execution, of works related to one of the activities listed in <a href="#">Schedule 2</a> ; (b) the execution, or both the design and execution, of a work; (c) the realisation, by whatever means, of a work corresponding to the requirements specified by the contracting authority exercising a decisive influence on the type or design of the work.

## Appendix 2: Variable Information

The following information is subject to change during the currency of these Contract Procedure Rules and may be updated as changes occur by the relevant Chief Officer.

### EU Thresholds

Details of the current OJEU thresholds can be found on [Proactis](#).

### Welland Procurement

Name	Job Title	Contact Information
<b>Head of Procurement</b>	Amy Myers	<a href="mailto:amyers@melton.gov.uk">amyers@melton.gov.uk</a> 07342 062861
<b>Procurement Strategy Manager</b>	Paul Large	<a href="mailto:plarge@melton.gov.uk">plarge@melton.gov.uk</a> 07769 918574
<b>Senior Procurement Officer</b>	Tina Rippingale	<a href="mailto:trippingale@melton.gov.uk">trippingale@melton.gov.uk</a> 07342 062594
<b>Senior Procurement Officer</b>	Paul Williams	<a href="mailto:pawilliams@melton.gov.uk">pawilliams@melton.gov.uk</a> 07887 894811
<b>Procurement Officer</b>	Richard Moon	<a href="mailto:rmoon@melton.gov.uk">rmoon@melton.gov.uk</a> 07896 856842

## Appendix 3: Delegated Decision Record - Exemption Request Form

This is available on the Melton Learning Pool (MIKE):

- Policies, Documents and Forms
- Forms – Use the glossary
- Search for “exemption”

## Appendix 4 - Quick Reference Guide: Contract Procedure Rules

A decision to procure is required before procurement commences AND a decision to award must be obtained before a contract is awarded.

Procurements with a [total value](#) of £5,000 or more are subject to Transparency Regulations and will need to be entered on to the Council's Contracts Register.

<a href="#">Total Value</a>	Notices Required	Procurement Method	Notes
<b>Under £10,000</b>	None	At least <b>one written quotation</b> required. (Rule <a href="#">6.2</a> )	<p><u>Finance Process:</u> Purchase Order can be authorised by Budget Holder in accordance with the Budget and Policy Framework.</p> <p><u>Legal Process:</u> Contract or Purchase Order must be approved / signed by the relevant Budget Holder (Rule <a href="#">6.5</a>) unless sealing applies (Rule <a href="#">15.11</a>).</p>
<b>Between £10,000 and £49,999</b>	None however if advertised or tendered, then contact Welland Procurement for guidance.	At least <b>3 quotations</b> should be sought using RFQ template with one supplier being local. (Rules <a href="#">7.2</a> and <a href="#">7.5</a> )	<p><u>Finance process:</u> Purchase Order can be authorised by a Chief Officer in accordance with the Budget and Policy Framework.</p> <p><u>Legal Process:</u> Contract signed by SLT (Rule <a href="#">7.12</a>) unless sealing applies (Rule <a href="#">15.11</a>).</p>
<b>Between £50,000 and Goods and Services EU Threshold</b>	Contracts Finder Advertising and Award notices. (Rule <a href="#">8</a> )	<b>Welland Procurement</b> must be instructed. A single stage (open) tender is required. Tenders at this level are run via Welland Procurement's e-tendering system.	<p><u>Finance process:</u> Purchase Orders can be authorised by a Chief Officer in accordance with the Budget and Policy Framework.</p> <p><u>Legal Process:</u> Contract must be sealed (Rule <a href="#">15.11</a>).</p>
<b>Works Contracts between the Goods and Services OJEU Threshold and the</b>	Contracts Finder Advertising and Award notices. (Rule <a href="#">9</a> )	<b>Welland Procurement</b> must be instructed. A single stage (open) tender or two stage (restricted) tender can be used. Tenders at this level are run via Welland Procurement's e-tendering system.	<p><u>Finance process:</u> Purchase Orders can be authorised by a Chief Officer in accordance with the Budget and Policy Framework.</p> <p><u>Legal Process:</u> Contract must be sealed (Rule <a href="#">15.11</a>).</p>

<b>Works OJEU Threshold</b>			
<b>Over relevant EU Threshold</b>	Contracts Finder and OJEU Advertising and Award notices. ( <a href="#">Rule 10</a> )	<b>Welland Procurement</b> must be instructed. A method defined by EU Procurement Regulations. Tenders at this level are run via Welland Procurement's e-tendering system.	<u>Finance process:</u> Purchase Orders can be authorised by a Chief Officer in accordance with the Budget and Policy Framework.  <u>Legal Process:</u> Contract must be sealed (Rule <a href="#">15.11</a> ).





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## Council

22 July 2020

**Report of:** Councillor Pat Cumbers  
Chair of Scrutiny Committee

## Scrutiny Committee Annual Report 2019/20

<b>Corporate Priority:</b>	All
<b>Relevant Ward Member(s):</b>	N/A
<b>Date of consultation with Ward Member(s):</b>	N/A
<b>Exempt Information:</b>	No

### 1 Summary

1.1 To provide an overview of the work done by Scrutiny Committee during the year 2019/20.

### 2 Recommendation

**That Council:**

2.1 **Notes the Scrutiny Annual Report 2019/20 (Appendix A)**

### 3 Reason for Recommendations

3.1 To ensure that all members are informed of the work of the Scrutiny Committee for the Municipal Year and an overview of the key priorities for Scrutiny in 2020/21.

3.2 It is considered good practice for Scrutiny Committee to provide an annual report.

## **4 Background**

- 4.1 The report provides an overview of the items considered by Scrutiny Committee in the Municipal Year 2019/20, including reviews and task and finish groups.
- 4.2 The report was approved by the Scrutiny Committee at their meeting on 3 March 2020.
- 4.3 The report was due to be presented to Council at the last meeting of the Municipal Year in April 2020, however this meeting was cancelled due to the restrictions put in place as a result of the Coronavirus pandemic.
- 4.4 Since the Annual Report was compiled, the Chairman has reviewed current guidance issued by the Centre for Public Scrutiny which discusses the role of Scrutiny during and in the wake of the pandemic. This guidance has been shared with all members of the Committee and will be considered further at the Scrutiny Workshop which has been scheduled for 16 July 2020. The workshop will be the opportunity for the Committee to compile their work plan for the current municipal year.

## **5 Main Considerations**

- 5.1 Scrutiny Committee recommend the annual report to Council for information purposes.
- 5.2 This report increases the profile of the work carried out by Scrutiny Committee and ensures that all members are provided with information in relation to the work of Scrutiny Committee as well as providing an opportunity for all members to feedback on the Scrutiny function of the Council.

## **6 Options Considered**

- 6.1 The alternative is that Scrutiny does not provide an annual report.

## **7 Consultation**

- 7.1 The Annual Report was compiled in consultation with the Scrutiny Chairman.
- 7.2 The Scrutiny Committee approved the report in March 2020.

## **8 Next Steps – Implementation and Communication**

- 8.1 The Scrutiny Committee will continue to develop the role of the Scrutiny in accordance with the purpose and remit set out in the Council's procedure rules.

## **9 Financial Implications**

- 9.1 There are no financial implications.

**Financial Implications reviewed by: Director for Corporate Services**

## **10 Legal and Governance Implications**

- 10.1 There are no legal and governance implications.
- 10.2 The report is prepared and presented to Scrutiny Committee and Council as a matter of good practice.

**Legal Implications reviewed by: Director for Governance and Regulatory Services**

## **11 Equality and Safeguarding Implications**

- 11.1 There are no equality and safeguarding implications.

## **12 Community Safety Implications**

**12.1** There are no community safety implications.

## **13 Environmental and Climate Change Implications**

**13.1** There are no environmental and climate change implications.

## **14 Risk & Mitigation**

**14.1** There are no risks in relation to this report.

## **15 Background Papers**

**15.1** There are no background papers.

## **16 Appendices**

**16.1** Appendix A – Scrutiny Committee Annual Report 2019/20

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<b>Chief Officer Responsible:</b>	<b>Adele Wylie</b> , Director for Governance and Regulatory Services
<b>Chief Officer Contact Details:</b>	01664 504205 awylie@melton.gov.uk

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# Melton Borough Council Scrutiny Annual Report 2019-20



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## Foreword from the Chairman of Scrutiny

This report is to inform Council of the work of Scrutiny Committee during 2019-20.

Since the local elections in May 2019, we have had a new Council and a new system of Governance including a Scrutiny Committee of ten members.

The scrutiny function acts as a critical friend on behalf of the community, to improve services and decision-making inside and outside of the Cabinet. Scrutiny function belongs to the whole Council but is different from other committees in that it is Member-led and evidence-based, with most of Scrutiny's Work plan being decided by Committee members, responding to concerns of elected members and the public.

Scrutiny calls for Members with investigative minds who are prepared to challenge, when they have 'done some homework' and are able to justify the challenge in accordance with the Constitution.

I have been honoured to serve as Chair since May 2019 and would like to thank all members of the Committee for their hard work and dedication, as we have worked (and learned) together. Special thanks go to Vice-Chair Cllr Rob Bindloss.

I am also very grateful to the officers in Democratic Services who have supported the work of the Committee members, in particular the Council's Scrutiny Officer, Natasha Taylor.

*Cllr Pat Cumbers*

### **Members of the Committee 2019/20**

Councillor Pat Cumbers (Chair)

Councillor Rob Bindloss (Vice-Chair)

Councillor Ronan Browne

Councillor Robert Child

Councillor Jeanne Douglas

Councillor Christopher Evans

Councillor Chris Fisher

Councillor Elaine Holmes

Councillor Rebecca Smedley

Councillor Jacob Wilkinson

## Scrutiny in Melton - Overview

In May 2019 Melton Borough Council formally adopted the Executive Model of Governance and established a Scrutiny Committee to carry out the functions as listed below. The Scrutiny Committee has held 7 meetings to date and carried out one large scale review in the form of a task and finish group during the 2019/20 Municipal Year. That review involved an additional nine meetings. There was also a mini review of the costs associated with Melton's Community Lottery.

In summary the main functions of Scrutiny set out in [Chapter 2, Part 10](#) of the MBC Constitution are to:-

- review and scrutinise decisions made, or other action taken, in connection with the discharge of any function.
- make reports or recommendations to Council or the Cabinet as appropriate with respect to the discharge of any function.
- recommend that a decision made but not yet implemented, be reconsidered by the Cabinet through the Call In Procedure.
- fulfil all the functions of the Council's designated Crime and Disorder Committee under the Police and Justice Act 2006.
- fulfil all the functions conferred on it by virtue of regulations under the National Health Service Act 2006 (local authority scrutiny of health matters).

The Scrutiny Committee must agree an Annual Work Plan in accordance with the Scrutiny Procedure Rules and that that Work Plan may contain:

- 1) Matters which inform the development of the Council's Budget and Policy Framework.
- 2) Matters which inform the development of the Council's approach to matters not forming part of the Council's Budget and Policy Framework.
- 3) Holding enquiries and investigating the available options for future direction in policy development, matters of public concern and any other issues within their functions.
- 4) Call in of Key Decisions.
- 5) Requests by a member of the Scrutiny Committee.
- 6) Requests from the Council and if it considers appropriate, the Cabinet.



## Scrutiny Committee (Summary of items considered)

Topic	Date	Brief Details	Outcome
<b>Public Spaces Protection Order</b>	18 June 2019	To consult Scrutiny Committee on the terms of the proposed Public Spaces Protection Order (PSPO) in advance of the public consultation.	Scrutiny committee provided feedback on the proposed PSPO and the arrangements for the consultation
<b>Future Options for Citizen's Advice Leicestershire</b>	18 June 2019	To receive a report on the transitional arrangements for funding provision to Citizen's Advice Leicestershire.	Scrutiny Committee provided feedback and noted the report.
<b>Consultation on the Corporate Debt and Income Maximisation Policy</b>	23 July 2019	To consult Scrutiny Committee on the Corporate Debt and Income Maximisation Policy.	Scrutiny Committee provided feedback as part of the consultation.
<b>Establishment of Task and Finish Group</b>	23 July 2019	To approve the establishment of a Task and Finish Group to undertake a review into Housing Voids Management and Temporary Accommodation.	Scrutiny Committee approved the Terms of Reference of the Task and Finish Group
<b>Community Grants Review</b>	17 September 2019	To provide a presentation on the proposals to review the current policy for allocation of community grants.	Scrutiny Committee provided feedback on the presentation and provided a report to Cabinet in October (see below).
<b>Update on Task and Finish Group – Housing Voids Management and Temporary Accommodation</b>	17 September 2019	To receive an update and note the timetable and scoping document for the review.	Scrutiny Committee noted the update.
<b>Update on Task and Finish Group – Housing Voids Management and Temporary Accommodation</b>	12 November 2019	To receive a verbal update from the Chairman on the work being done to establish a robust evidence base working with officers and stakeholders.	Scrutiny Committee noted the update.
<b>Final Report on Task and Finish Group – Housing Voids Management and Temporary Accommodation</b>	7 January 2020	To receive the final report, evidence and recommendations of the Task and Finish Group and to approve the recommendation to Cabinet.	Scrutiny Committee provided feedback on the report and resolved to recommend the report to Cabinet for approval of the recommendations. (See further information below)

<b>Melton Community Lottery</b>	7 January 2020	To provide a breakdown of the costs associated with running the Melton Community Lottery.	Scrutiny Committee provided feedback and discussed options for the continuation of the lottery. The Committee resolved to make a recommendation to Cabinet. (see below).
<b>Service Charges</b>	7 January 2020	To consider new charges for tenants in blocks with communal facilities to cover the maintenance and servicing of property health & safety equipment provided and the recharge of electricity to tenants using the new mobility scooter pods.	Scrutiny Committee considered the report and provided feedback on additional items that may be included. It was agreed that Scrutiny Committee would work with the Housing and Neighbourhoods Manager to develop any further feasible recommendations to Cabinet.
<b>Budget Scrutiny</b>	21 January 2020	To consider and provide feedback to Cabinet on the Corporate Strategy, Budget and Medium Term Financial Strategy. Note: All members were invited to this meeting.	Scrutiny Committee considered and all other members were provided with the opportunity to provide questions in advance of the meeting and answers were provided during the meeting and appended to the minutes. The Committee and other members in attendance were able to ask questions of Portfolio Holders and Chief Officers. The Committee's feedback and comments were formally reported to Cabinet at the February meeting (see below).

<b>Crime and Disorder/Community Safety</b>	3 March 2020	To receive a report on Community Safety/Crime and Disorder.  To consult Scrutiny on the Draft Community Safety Partnership Strategy.	Scrutiny Committee considered the report and provided feedback which would be incorporated into the revised policy following the public consultation and approval by the Partnership.
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## Portfolio Holder Presentations/ Questions

The **Portfolio Holder for Growth and Prosperity** provided a presentation at the **23 July 2019** meeting setting out the current performance, focus and challenges in the following areas:

- Town Centre, Tourism, Events and Place Promotion
- Economic Growth and Inward Investment
- Planning Policy and Housing Delivery
- Major Developments

The **Portfolio Holder for Corporate Governance, Access and Engagement** provided a presentation in advance of the meeting on **17 September 2019**, but due to lack of time was unable to present . The presentation set out the focus of the last 12 months in relation to the Portfolio areas of responsibility listed below:

- Governance and Democratic Services
- Promoting Democracy
- Parish Council liaison & Rural Communities
- Customer access, website and telephony experience
- Resident engagement and embedding services in communities
- Equalities and accessibility
- Community grants and community lottery
- Legal
- Data Management, GDPR and FOIs
- Elections
- Member Development Champion

The **Portfolio Holder for Corporate Finance and Resources** provided a presentation at the **12 November 2019** which included an overview of each of the different areas of the Portfolio listed below:

- Finance
- Human Resources
- Corporate Health and Safety
- Learning and Development
- ICT Operations
- Procurement
- Commercialisation
- Corporate Property and Assets
- Debt Management
- Workforce Strategy

Members focused on the Council's debt management processes and Corporate Debt Policy and received responses in relation to their enquiries from the Portfolio Holder and the Chief Finance Officer.

The **Leader of the Council** provided a presentation at the **21 January 2020** meeting on the Corporate Strategy setting out the Council's Mission, Vision, Values, Priorities and Key Actions for the coming 4 years.

The **Portfolio Holder for Housing and Communities** provided a presentation at the **3 March 2020** meeting on the main areas of his Portfolio as listed below:

- Council housing assets maintenance and repairs
- Council housing tenancy management
- Council house lettings
- Homelessness and Housing Options
- HRA Business Plan
- Community Safety and Priority Neighbourhoods
- Inclusive Growth – tackling inequality
- Support to vulnerable people; including older people and Lifeline services
- Complex case work, early intervention, prevention and support
- Safeguarding
- Community and Public Sector partnerships
- Well-being, physical activity and leisure centre contract management
- Revenues and Benefits

Scrutiny Committee have found these Portfolio Holder presentations useful and welcomed the opportunity to be provided with details regarding emerging issues and projects on the horizon as well as the opportunity to ask questions of the Portfolio Holder.

Scrutiny Committee have also been grateful for the attendance by Portfolio Holders at the Committee in order to present reports and receive feedback and questions from members on specific areas of the Council's business.

## **Chairman's Review of Topics**

Scrutiny Committee has considered a number of topics which are summarised below. The Committee has provided comment and feedback, as consultees, to Cabinet on several issues including the Public Spaces Protection Order, Future Options for Citizens' Advice Leicestershire and Corporate Debt

The Committee was also pleased to receive presentations from Portfolio Holders, who provided summaries of Portfolio responsibilities, current performance and emerging issues. Members then provided feedback.

- At the 7 January 2020 meeting the Committee considered new charges for some Council blocks.
- At the 21 January 2020 Budget Scrutiny meeting, Committee members were joined by other members to consider a number of reports, to question Portfolio Holders and Chief

Officers and to provide feedback to Cabinet on the Corporate Strategy, Budget and Medium Term Financial Strategy.

- At the March 2020 Scrutiny meeting, the Committee received a report on Crime and Disorder/Community Safety. Members asked questions and provided feedback.

### **Voids and Temporary Accommodation**

In July 2019, Scrutiny formed its first Task and Finish Group of four members (The Chair, Vice-Chair Cllrs Browne and Holmes) to review the issue of Voids and Temporary Accommodation, which was causing multiple problems for the Council.

We held nine meetings, gathering evidence from officers and relevant organisations as well as undertaking our own research to identify good practice elsewhere.

In addition we were invited to weekly meetings where officers shared with each other their experiences during the previous week, related to Voids. The shared experiences were already leading to improvements in procedure.

Throughout our time working with Voids, I was very grateful for members' hard work and the enthusiastic co-operation of officers and others, including the Tenants' Forum Executive Committee.

We learned of the cost (financial and otherwise) to the Council, prospective tenants and the homeless when council dwellings are unoccupied for unnecessarily long periods.

We also learned that Bed and Breakfast accommodation is extremely expensive and is often outside of the Borough. This means that the homeless might be separated from friends and family and also from job opportunities and possible further assistance from the Council.

The Group produced a number of recommendations which were agreed by the Committee who also added another.

The recommendations were then considered by Cabinet who, subject to some minor amendments, approved all of the Scrutiny Committee's recommendations.

### **The Melton Community Lottery**

This was added to Scrutiny's Work plan when it was noticed that the Budget Book estimated that the Lottery would cost taxpayers £39,890 during 2019-20 and was estimated to cost taxpayers £95,152 between November 2016, when the Lottery commenced and March 2020. Lottery membership was also dropping significantly. This cost was in addition to the cost to residents who had purchased lottery tickets.

At the 7<sup>th</sup> January 2020 meeting, Scrutiny unanimously decided to recommend to Cabinet that the Lottery should cease in 12 months' time unless the number of Lottery members should be at least at the same level as at 31 December 2018.

This recommendation will be considered by Cabinet at their meeting on 18 March 2020.

## Task and Finish Groups

### Housing Management Voids and Temporary Accommodation Task and Finish Group

On 23 July 2019 the Melton Borough Council Scrutiny Committee approved the establishment of a Task and Finish Group to review Housing Voids Management and Temporary Accommodation. This topic was chosen after having been raised by elected members as a response to identified issues within the voids and temporary accommodation processes both in terms of performance, costs and customer satisfaction. The number of void properties (properties without a tenant) and the period for which these properties remained empty had risen and this was having a negative impact on the Council's income both in rental and Council Tax receipts, from its housing stock. It was also felt that the cost incurred in housing people in temporary accommodation were too high, especially when there were properties which were empty, albeit waiting for repairs and improvements to be made.

On 28 August 2019 the Task and Finish Group met for their preliminary scoping meeting. At that meeting the Group were provided with some background information and performance measures on voids management and temporary accommodation processes. The Group identified issues and areas that they would like to explore further and also agreed the timetable for the review and made some revisions to the Terms of Reference. The Scoping Document for the Review and the revised Terms of Reference were presented to and approved by the Scrutiny Committee on 17 September 2019. The Group agreed they would commence the review by establishing an evidence base which would include performance statistics, review of current policy and process and draw on the experiences of customers, officers and other stakeholders. Evaluation of this evidence base would clarify the issues and assist with the identification of the underlying causes. The Group, with officer support, would then move on to consider options for improvement, feasibility of options for future delivery and the way in which outcomes could be measured and monitored. This would be translated into a set of recommendations to be presented to Scrutiny Committee for approval and following review by the Chief Executive, further recommendation to Cabinet in January 2020.

Following careful evaluation of the evidence, the Task and Finish Group presented a list of recommendations aimed at ensuring that alternative, more cost effective options for Temporary Accommodation were explored and void times were significantly reduced. The Group were confident that if these recommendations were accepted and implemented they would lead to better outcomes for tenants and prospective tenants and also have a positive impact on the Council's financial position.

The final report can be found [here](#). It was presented to Scrutiny Committee for approval and recommendation to Cabinet on 7 January 2020. Scrutiny Committee approved the report.

The report was presented to Cabinet on 22 January 2020 where subject to some minor amendments the recommendations of the Task and Finish Group were approved.

The final approved recommendations are listed below:

- 1) A review of the voids module within the Northgate Housing Management System is undertaken and recommendations proposed to Senior Leadership Team as to how an improved system can be implemented along with revenue expenditure required.
- 2) To consult tenants in relation to the implementation of a Golden Goodbye scheme that incentivises tenants to return their home in a good standard that in turn reduces void time and void costs to Melton Borough Council.
- 3) Subject to the outcomes of this consultation, to introduce the Golden Goodbye Scheme on a temporary basis for one year after which time continuation of the scheme to depend on the evaluation of outcomes and success factors.
- 4) The development of a framework that includes TFEC in the monthly monitoring of voids and includes a written protocol from both parties so as to clarify expectations.
- 5) To reduce, with the aim of eliminating, use of private Bed and Breakfasts by introducing alternatives with options developed by officers for consideration by Cabinet by the end of July 2020.
- 6) To review contract arrangements with contractors to ensure sufficient quality and control and explore the potential to move to a single trusted contractor to manage all aspects of voids work.
- 7) A review of the Allocations Policy by July 2020.
- 8) The development and implementation of a new Voids Policy by July 2020.
- 9) The implementation of new Tenant visits on occupation and again after 6 weeks.
- 10) To provide an interim report to Scrutiny Committee in July 2020 detailing progress against recommendations and a full report in January 2021 to evidence the impact of improvements.

## Scrutiny Reports to Cabinet

In accordance with the Scrutiny Procedures Rules, the Scrutiny Committee may report to Cabinet under Item 4 of the Cabinet Agenda – Matters Referred from Scrutiny Committee in Accordance with Scrutiny Procedure Rules.

The Chairman of Scrutiny has formally reported to Cabinet on behalf of the Committee on the following items:

- ✓ [Community Grants Review – 30 October 2019](#)
- ✓ [Housing Management Voids and Temporary Accommodation – 22 January 2020](#)
- ✓ [The Budget – 12 February 2020](#)
- ✓ [Melton Community Lottery – 18 March 2020](#)

## Reporting

It is currently too early to report on the outcomes of Scrutiny's work in 2019/20, however, future Annual Reports will contain further information on the evaluation of outcomes and performance indicators in relation to scrutiny recommendations made to Cabinet and/or Council. The Committee are keen to ensure that the Scrutiny function at Melton Borough Council remains outcomes focused and that following implementation, the impact of its recommendations are monitored and reported back to the Committee and all Members.

## Scrutiny Work Plan

Scrutiny Committee reflect on the work plan at each meeting and consider any new items to be added. The work plan is developed by the Chairman and Vice Chair in collaboration with the Committee.

The Chairman has asked members to consider the following when proposing items to add to the work plan:

### 1) Scrutiny Committee Functions & Procedures Rules:

- Which Corporate Priority the item links to ( Priorities attached for ease of reference)
- If the item is of significant community concern
- If the issue is significant to Partners and/or Stakeholders
- What the added value is of doing the work
- What evidence there is to support the work
- If the Scrutiny work can be completed within a proportionate time to the task identified
- If the work is being done somewhere else
- What will be achieved
- If the Council has the resources to carry out the work effectively

### 2) Consider:

- What?

Be prepared to provide the committee with some background information and scope of the proposed report/review.

- Why?

Be prepared to justify why the item should be considered by Scrutiny, what might be the intended outcome, why is it important in relation to the provision of services/value for money etc...?

- When?

Is the item time sensitive? What is the level of priority?

- Outcomes?

What value can Scrutiny add, what are likely to be the measurable outcomes, is the work already being done somewhere else?

It is hoped this guidance will ensure that Scrutiny at Melton borough Council is outcomes focused and that the value of Scrutiny can be evidenced and results measured.



## Training

An introduction to Scrutiny Training session was delivered at the Scrutiny Committee meeting on **18 June 2019**. This session covered the legislative background, basic principles, planning work, the procedural context at MBC and an overview of the Government Statutory Guidance published in May 2019. All members were invited to this training session.

A mini review of Scrutiny and a further training session will be held in **March 2020**. This will include observation and feedback of a meeting, followed by a training session covering amongst other things; an outline of scrutiny with a focus on key roles; powers and responsibilities; ways of working for effective and outcome focused scrutiny e.g. work programme, project scopes, critical friend questioning and listening; discussion around challenges; and provision of examples from meeting observation at MBC and other councils.

## Looking ahead

- **Annual Work Plan 2020/21**

The work plan has been regularly reviewed and discussed throughout 2019/20. There are now a significant number of “Pending” items on the work plan. It is proposed that a Scrutiny Member Work shop will be arranged in advance of the first meeting of the 2020/21 Municipal Year to establish priorities and plot dates for some of these items and consider any additional items.

- **Scrutiny Website Page**

In order to increase the profile of Scrutiny at Melton Borough Council and provide more information to stakeholders and the community it is proposed that a dedicated Scrutiny Website page be created.

This website page will include a comprehensive description of Scrutiny and provide information about how members of the public can get involved.

- **Increased Media on Scrutiny related issues**

In order to evidence and highlight the positive outcomes of the Scrutiny Committee and associated work, especially in relation to reviews and high profile issues, a more developed communications plan is proposed for 2020/21.

- **Cabinet Scrutiny Protocol**

The Scrutiny Guidance published in May 2019 suggested that “*an ‘executive-scrutiny protocol’ can help define the relationship between the two and mitigate any differences of opinion before they manifest themselves in unhelpful and unproductive ways. The benefit of this approach is that it provides a framework for disagreement and debate, and a way to manage it when it happens.*”

In order to further enhance the collaborative and partnership working between Cabinet and Scrutiny, it is proposed that Melton develop such a protocol in 2020/21 for approval by Council to be included in the Constitution.

## Further information

If you would like further information about Scrutiny, please use the contact details below:

### **Scrutiny Officer**

Tel: 01664 502441

Email: [democracy@melton.gov.uk](mailto:democracy@melton.gov.uk)

### **Scrutiny Committee Chairman**

Email: [pcumbers@melton.gov.uk](mailto:pcumbers@melton.gov.uk)



## Council

22 July 2020

Report of: Monitoring Officer

## Review of Political Balance

<b>Corporate Priority:</b>	All
<b>Relevant Ward Member(s):</b>	N/A
<b>Date of consultation with Ward Member(s):</b>	N/A
<b>Exempt Information:</b>	No

### 1 Summary

- 1.1 To approve the revised political balance calculations and allocation of seats on committees in accordance with statutory requirements (as set out in the report) following an event that alters the political balance between the Groups.

### RECOMMENDATION(S)

**That Council:**

1. Approve the political balance calculations at paragraph 4.1 of the report;
2. Approve the allocation of seats to Political Groups shown at paragraph 4.2 of the report.
3. Approve the election of Councillor Mel Steadman as Chairman to the Licensing Committee and Councillor Tejpal Bains as Vice Chairman to the Licensing Committee for the remainder of the Municipal Year 2020/21.

### 2 Reason for Recommendations

- 2.1 To ensure that the council complies with its statutory obligations under the Local Government and Housing Act 1989.

### 3 Background

- 3.1 The Monitoring Officer was notified that Councillor Simon Lumley had resigned from the Conservative Group on 22 June 2020. Councillor Lumley has confirmed that he will no longer be part of a group and will therefore be a non-aligned member.
- 3.2 Pursuant to Section 15 of the Local Government and Housing Act 1989 the authority is under a duty to review the allocation of seats to Political Groups as soon as practicable following a change to the membership of those groups.
- 3.3 The Councils' duty is to determine the allocation of seats to be filled by appointments by the authority, except the Cabinet and the Licensing Committee. The purpose is to ensure that there is proportionality across all formal activities of the Council, representing the overall political composition. It affects all formally constituted panels, committees and sub-committees which discharge functions on behalf of the authority.
- 3.4 Legislation states that only those members who form a properly constituted group shall be included within political balance calculations. This would not therefore include any non aligned members.

### 4 Main Considerations

- 4.1 The revised composition of the Council (not including the non aligned members of which there are currently 2) is shown in the following table. Using 38 as the total number of voting places across all committees, the final column shows the total number of places each group is entitled to, using the calculated proportions.

Group Name	No of Cllrs in group	Percentage across the Council	Allocation of Seats over 4 Committees 38 seats	
			Decimal	Rounded no
Conservative	20	76.92%	29.23	29
Opposition	6	23.08%	8.77	9
<b>Totals</b>	<b>26</b>	<b>100%</b>	<b>38 seats</b>	<b>38 seats</b>

- 4.2 The allocations set out in the table below show the allocation of seats to political groups (not including the non-aligned councillors) as agreed between the political groups BEFORE THE REVISION TO THE POLITICAL BALANCE CALCULATION:

Group Name or Non-aligned	Audit & Standards	Planning	Scrutiny	Employment	TOTAL
Conservative	8 (7.78)	9 (8.56)	8 (7.78)	5 (5.44)	<b>30</b>
Opposition	2 (2.22)	2 (2.44)	2 (2.22)	2 (1.56)	<b>8</b>
<b>Totals</b>	<b>10</b>	<b>11</b>	<b>10</b>	<b>7</b>	<b>38</b>

4.3 The allocations set out in the table below show the allocation of seats to political groups (not including the non-aligned councillors) as agreed between the political groups AFTER THE REVISION TO THE POLITICAL BALANCE CALCULATION:

Group Name	Audit & Standards Revised	Planning Revised	Scrutiny Revised	Employment Revised	TOTAL
Conservative	8 (7.69)	8 (8.46)	8 (7.69)	5 (5.38)	30
Opposition	2 (2.31)	3 (2.54)	2 (2.31)	2 (1.62)	8
<b>Totals</b>	<b>10</b>	<b>11</b>	<b>10</b>	<b>7</b>	<b>38</b>

4.4 The only amendment to the allocation of seats as a result of the change is that the Conservative Group has lost one seat on the Planning Committee and the Opposition Group gains this seat. The Leader of the Opposition Group may appoint to this seat.

4.5 A consequential result of Councillor Lumley resigning from the Conservative Group is that he will no longer sit on the Licensing Committee, nor the Audit and Standards Committee as substitute. These seats remain Conservative seats and therefore the Leader of the Conservative Group may appoint a member to take these seats. However, Councillor Lumley was appointed Chairman of the Licensing Committee at Annual Council in May 2020. Council are therefore requested to appoint a new Chairman for the Licensing Committee from its current membership confirmed below:

- Councillor Mel Steadman (Vice-Chair)
- Councillor Tejpal Bains
- Councillor Pru Chandler
- Councillor Pat Cumbers
- Councillor Steven Carter
- Councillor Alison Freer-Jones
- Councillor Margaret Glancy
- Councillor Pam Posnett MBE
- Councillor Donald Pritchett
- Vacancy (Conservative)

## 5 Options Considered

5.1 The Council must review its political balance and allocation of seats as soon as practicable following a change to political groups in accordance with the legislation.

## 6 Consultation

6.1 The information presented in the report has been compiled in consultation with the Group Leaders.

## 7 Next Steps – Implementation and Communication

7.1 The Opposition Group Leader will appoint a member of his Group to the Planning Committee and advise Democratic Services of the appointment.

## 8 Financial Implications

8.1 There are no financial implications arising from this report.

**Financial Implications reviewed by: Director for Corporate Services**

## 9 Legal and Governance Implications

9.1 The Council must allocate seats on committees so as to give effect to the political balance rules:

9.1.1 The allocation of seats shall conform to the principles of proportionality contained in sections 15 and 16 of the Local Government and Housing Act 1989. There is a duty to give effect to the following principles, as far as reasonably practicable, in the order shown:

- a) Not all the seats on the body are allocated to the same political group
- b) A majority of the seats on a body are allocated to a group if it comprises a majority of the total membership of the authority;
- c) Subject to (a) and (b) above, that the number of seats on ordinary committees allocated to each group bears the same proportion to the total of all seats on ordinary committees as is borne by the number of members of that group to the total membership of the authority; and
- d) Subject to (a) to (c) above, that the number of seats on a body allocated to each group bears the same proportion to the number of seats on that body as is borne by the number of members of that group to the total membership of the authority.

For political balance, a group is required to have at least two members in order to be formally constituted as a political group.

9.2 The political proportionality rules that apply in allocating seats on Committees etc. set out in Section 15 and 16 of the Local Government and Housing Act 1989 apply only to political groups and **not non-aligned (un-grouped) Members**. Alternative arrangements not complying with section 15 and 16 of the 1989 Act may be made by virtue of Section 17 of the 1989 Act by **passing a resolution with no member voting against the resolution**.

9.3 The Council is required to review the representation of Groups at its Annual Meeting each year and as soon as practicable after an event, which alters the political balance between the Groups and to determine the allocation of seats to be filled by appointments by the Council. This is in accordance with Sections 15 to 17 of the Local Government and Housing Act 1989 and Section 8 of the Local Government (Committees and Political Groups) Regulations 1990 (Requirement to Constitute Political Groups).

**Legal Implications reviewed by: Monitoring Officer**

## 10 Equality and Safeguarding Implications

10.1 An Equality Impact Assessment (EqIA) has not been completed because there are no service, policy or organisational changes being proposed.

## 11 Community Safety Implications

11.1 There are no community safety implications arising from this report.

## 12 Environmental and Climate Change Implications

12.1 There are no environmental changes arising from this report.

## 13 Other Implications (where significant)

13.1 There are no other implications arising from this report.

## 14 Risk & Mitigation

Risk No	Risk Description	Likelihood	Impact	Risk
1	Failure to comply with statutory requirements regarding review of political balance could lead to the decisions of the Council being challenged on the grounds of procedural irregularity.	Significant	Critical	Medium Risk
2	Failure to comply with statutory requirements regarding review of political balance could result in reputational damage.	Significant	Marginal	Medium Risk

Risk No	Mitigation
1	The report has been brought for Council consideration within a reasonable timeframe in order to avoid this risk.
2	The report has been brought for Council consideration within a reasonable timeframe in order to avoid this risk.

## 15 Background Papers

15.1 There are no background papers.

## 16 Appendices

16.1 There are no appendices.

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<b>Chief Officer Contact Details:</b>	01664 504205 awylie@melton.gov.uk

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22 July 2020

**Report of:** Councillor Alison Freer-Jones -  
Portfolio Holder for Corporate  
Governance, Access and  
Engagement



## Establishment of Constitution Review Working Group

<b>Corporate Priority:</b>	All
<b>Relevant Ward Member(s):</b>	N/A
<b>Date of consultation with Ward Member(s):</b>	N/A
<b>Exempt Information:</b>	No

### 1 Summary

- 1.1 To establish an informal working group to assist with the ongoing review of the Constitution and to define the purpose and remit of the Constitution Review Working Group (CRWG), incorporating the Member Development Group functions.

### 2 Recommendation(s)

**That Council:**

1. Approves the establishment of the Constitution Review Working Group;
2. Approves the purpose, remit and composition of the group as set out in the Terms of Reference (Appendix A);
3. Approves the membership of the working group for the remainder of the Municipal Year 2020/21 (Appendix B);
4. To amend Chapter 2, Part 6 of the MBC Constitution to reflect amendments to the delegations as described in Section 5.

### 3 Reason for Recommendations

- 3.1 To constitute a working group which has the responsibility for reviewing and making recommendations to Council in relation to the Constitution, including amendment or addition to procedures in relation to constitutional provisions and standing orders.

## **4 Background**

- 4.1 The Constitution exists to help residents, businesses, partners, stakeholders, Members and Officers understand how the Council works. Melton Borough Council will exercise all powers in accordance with the law and its own procedures, the Constitution contains details of how the Council works, how decisions are made and where to find information about the Authority.
- 4.2 A review of the Constitution took place in 2018/19 in order to reflect the changes to the Council's governance structure in 2019.
- 4.3 The establishment of a Member Development Group and the Terms of Reference for the Group were approved by the Audit and Standards Committee in November 2019.
- 4.4 At the Annual Council Meeting held on 14 May 2020 the Leader of the Council announced that a Constitution Review Working Group would be established at the next Council meeting.

## **5 Main Considerations**

- 5.1 The Constitution is the document by which, in accordance with the law, the Council exercises all its powers and duties; it is continuously kept under review.
- 5.2 The purpose of the working group is to ensure that the Constitution remains relevant, fit for purpose and enables the decision making processes of the council to progress in an expedient manner. The group will identify areas which may be ambiguous or inconsistent and will also react to changes in legislation, policy or accepted practice and make recommendations for alterations and improvements.
- 5.3 In order to create efficiencies in relation to both Member and officer time, it is proposed that the Member Development Group functions be incorporated into the CRWG. The scope and function of the Member Development Group (as approved in November 2019) have been incorporated into the Terms of Reference for the CRWG. The CRWG is constituted in the same way as the Member Development Group with cross party representation, quarterly meetings and chaired by the relevant Portfolio Holder.
- 5.4 An informal working group is considered the best way to achieve collaborative working between the Monitoring Officer and Members in order to ensure different options can be explored.
- 5.5 Delegated authority for consequential and minor amendments to the Constitution is currently in place for the Monitoring Officer under the Scheme of Delegation and Section 1.16 of Chapter 2, Part 6 of the Constitution (Functions of the Audit and Standards Committee). Significant amendments are currently considered by Audit and Standards Committee and then reported to Council. It is proposed that this delegation is altered so that significant amendments are considered by the CRWG and reported to Council for approval.
- 5.6 Member training is currently set out as a function of the Audit and Standards Committee and the Monitoring Officer. It is proposed that that the delegation at Section 1.22 of Chapter 2, Part 6 of the Constitution is altered so that responsibility for Member training and development is the responsibility of the CRWG and the Monitoring Officer with any significant changes to the Member Development Programme being reported to the Audit and Standards Committee.

5.7 An annual report will be provided to the Audit and Standards Committee on the work of the CRWG and the Committee.

5.8 The Audit and Standards Committee, Council or the Monitoring Officer may ask the CRWG to consider a particular item of work.

## **6 Options Considered**

6.1 To continue to review and amend the Constitution on an ad-hoc basis. This is not considered appropriate as it could result in delay in updating the Constitution and failure to comply with legislative changes.

6.2 To keep the CRWG and the Member Development Group as two separate groups. It is considered a more efficient approach to incorporate the functions of the two groups into one body.

## **7 Consultation**

7.1 Group leaders have been consulted on the proposals within the report.

## **8 Next Steps – Implementation and Communication**

8.1 Dates will be agreed for the meetings for the remainder of the Municipal Year.

## **9 Financial Implications**

9.1 There are no financial implications.

9.2 The Budget for Member Development is approved by Council as part of the Annual Budget setting process.

**Financial Implications reviewed by: Director for Corporate Services**

## **10 Legal and Governance Implications**

10.1 There are no legal implications. The working group will have no decision making powers and will report to Council.

10.2 The Group will have no decision making powers other those in relation to day to day implementation of the Member Development Programme which must be within the constraints of their terms of reference, the Member Development Framework and agreed budgets.

10.3 Adoption and modification of the Constitution is a function of Council. The working group will therefore report to Council on any proposed changes to the Constitution (apart from those changes that come within the delegation to the Monitoring Officer to make consequential and minor amendments).

**Legal Implications reviewed by: Monitoring Officer**

## **11 Equality and Safeguarding Implications**

11.1 Group Leaders have been consulted on the proposals in this report.

## **12 Community Safety Implications**

12.1 There are no community safety implications.

## **13 Environmental and Climate Change Implications**

13.1 There are no environmental and climate change implications.

## 14 Risk & Mitigation

<b>Risk No</b>	<b>Risk Description</b>	<b>Likelihood</b>	<b>Impact</b>	<b>Risk</b>
1	The constitution becomes out of date and does not reflect current legislative requirements leading to unlawful decision making.	Low	Critical	Medium Risk
2	The constitution is ambiguous and inconsistent impacting on public confidence of the decision making processes of the council.	Low	Critical	Medium Risk

		Impact / Consequences			
		Negligible	Marginal	Critical	Catastrophic
Likelihood	Score/ definition	1	2	3	4
	6 Very High				
	5 High				
	4 Significant				
	3 Low			1,2	
	2 Very Low				
	1 Almost impossible				

Risk No	Mitigation
1	The CRWG will meet regularly and review any changes to legislation, policy, working practices
2	Any areas of the constitution which require clarification can be reported to the CRWG for review at their meeting

## 15 Background Papers

15.1 There are no background papers.

## 16 Appendices

16.1 Appendix A - MBC Constitution Review Working Group Terms of Reference

16.2 Appendix B – Proposed Membership of the CRWG for the Municipal Year 2020/21

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## **MELTON BOROUGH COUNCIL CONSTITUTION REVIEW WORKING GROUP (CRWG)**

### **Terms of Reference**

#### **1. ROLE AND FUNCTION**

The Constitution Review Working Group provides a mechanism by which Council can carry out focused cross-party reviews of the Constitution, of both a general and specific nature to ensure the constitution remains fit for purpose.

It will undertake this role by:

- a) Considering any constitutional or procedural matter concerning the Council;
- b) Undertaking health checks of the Constitution to ensure that the detail of the text remains fit for purpose and put forward appropriate changes;
- c) Reviewing areas in the Constitution to ensure that it is kept in line with current legislation, local decisions made by the Council and best practice;
- d) Reviewing arrangements, reports and recommendations arising from Boundary and Community Governance reviews; and
- e) Recommending any proposed changes to the constitution arising from the above to Council for approval.

The Constitution Review Working Group will oversee Member Development to ensure that Elected Members receive timely and appropriate support and training so they are equipped to deliver the Council's statutory and corporate priorities and carry out their role as Ward Councillor.

It will undertake this role by:

- a) Developing the Member Development Framework for Melton Borough Council (To be approved by the Audit and Standards Committee);
- b) Identifying the development needs of Members and developing the Elected Member Development Programme in accordance with identified requirements, the agreed Framework and budgetary constraints;
- c) Ensuring linkage to Council aims, priorities and objectives;
- d) Promoting development opportunities, reviewing outcomes and evaluating the effectiveness of the Development Programme;
- e) Promoting member engagement and participation and report on attendance;
- f) Demonstrating continuous improvement;
- g) Proactively encouraging opportunities for prospective Councillors to understand the role of Councillor before standing for election;
- h) Agreeing the Induction Programme;

- i) Nominating a member of the group to attend the East Midlands Councils Member Development Group where appropriate;
- j) Providing an annual report to the Audit and Standards Committee setting out the Member Development events held throughout the year and the Programme for the forthcoming year.

k)

Note however that any recommendations which impact upon the Council's executive arrangements need the approval of the Leader of the Council and the Leader is able to amend executive arrangements without the need for prior consultation with the Constitution Review Working Group or Council.

The working group will set its own work programme but the following may request that it considers a particular item of work:

- a) Council
- b) Chairman of Audit and Standards Committee
- c) Monitoring Officer

The Group will have no decision making powers other than in advising in relation to the Monitoring Officers delegated powers in relation to minor or consequential amendments.

The group will report to the Council for approval of changes to the Constitution and will provide an annual report to the Audit and Standards Committee.

## **2. POWERS DELEGATED TO THE MONITORING OFFICER**

The Officer Scheme of Delegation (Chapter 2 Part 4, MBC Constitution) provides the Monitoring Officer with authority to make such changes to the Council's Constitution as he/she deems to be necessary and which are in the Council's interests and not major in nature, including, but not limited to, changes amounting to routine revisions, to provide appropriate clarity, to correct typographical and other drafting errors, to reflect new legislation, to correct inconsistencies in drafting Officer Delegations, to reflect new officer structures and job titles, properly approved through Council processes.

## **3. COMPOSITION**

### **a) MEMBERSHIP**

The Constitution Review Working Group shall comprise of five Members with cross party representation as follows; 3 x Conservative Members, 1 x Opposition Group Member, 1 x Non-aligned Member.

Membership will include one member of the Cabinet (Relevant Portfolio Holder) and one member of the Audit and Standards Committee.

### **b) APPOINTMENT**

Members will be appointed to the Constitution Review Working Group at the Annual Council Meeting.

### **c) CHAIRMAN**

The Chairman of the Constitution Review Working Group will be the relevant Portfolio Holder

**OFFICER SUPPORT**  
Meetings will be supported by the Monitoring Officer, Democratic Services Officer and any other officer as required.



#### **4. FREQUENCY OF MEETINGS**

The Constitution Review Working Group will meet quarterly. All meetings will be held in private and dates and times of meetings will be agreed by the Working Group.

#### **5. MINUTES OF CONSTITUTION REVIEW WORKING GROUP MEETINGS**

The Working Group shall agree the minutes at the next suitable meeting.

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**PROPOSED MEMBERS OF THE CONSTITUTION REVIEW WORKING GROUP**

Conservative Member	
Conservative Member	
Conservative Member	
Opposition Group Member	
Non-aligned Member	

**Note: One member must be a member of the Cabinet and one member must be a member of the Audit and Standards Committee**

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