

# Public Document Pack

## Chief Executive

**THE CIVIC MAYOR, CHAIR OF  
COUNCIL BUSINESS AND ALL  
MEMBERS OF THE COUNCIL**

Steven Pleasant, Chief Executive  
Dukinfield Town Hall, King Street,  
Dukinfield SK16 4LA

[www.tameside.gov.uk](http://www.tameside.gov.uk)

Email: [Robert.landon@tameside.gov.uk](mailto:Robert.landon@tameside.gov.uk)

Our Ref	rl/Council
Ask for	Robert Landon
<b>Direct Line</b>	<b>0161 342 2146</b>
Date	1 December 2015

Dear Councillor,

You are hereby summoned to attend an **ORDINARY MEETING** of the Tameside Metropolitan Borough Council to be held on **Tuesday, 8th December, 2015 at 5.00 pm** in the Jubilee Hall, Dukinfield Town Hall, when the undermentioned business is to be transacted.

Yours faithfully,



**Steven Pleasant  
Chief Executive**



Item No.	AGENDA	Page No
1.	<b>CIVIC MAYOR'S ANNOUNCEMENTS</b>	
	The Civic Mayor to make any appropriate announcements.	
	<b>At this juncture the Civic Mayor will retire from the Chair and the Chair of Council Business shall assume the Chair for the remaining business.</b>	
2.	<b>MINUTES</b>	1 - 6
	That the Minutes of the proceedings of the Meeting of Council held on 29 September 2015 be approved as a correct record and signed by the Chair of Council Business (or other person presiding) (Minutes attached).	
3.	<b>DECLARATIONS OF INTEREST</b>	
	To receive any declarations of interest from Members of the Council.	
4.	<b>COMMUNICATIONS OR ANNOUNCEMENTS</b>	
	To receive any announcements or communications from the Chair of Council Business, the Executive Leader, Members of the Executive Cabinet or the Chief Executive.	
5.	<b>EXECUTIVE LEADER'S EMERGENCY BUDGET ANNOUNCEMENT</b>	
	The Chair of Council Business to invite the Executive Leader, Councillor Kieran Quinn, to give his keynote address and the implications of the Comprehensive Spending Review, following which the Leader of the Opposition Group will be entitled to respond with a final right of reply reserved for the Executive Leader	
6.	<b>COUNCIL BIG CONVERSATION</b>	
	To consider any questions submitted by Members of the public in accordance with Standing Orders 31.12 and 31.13.	
7.	<b>MEETING OF EXECUTIVE CABINET</b>	7 - 10
	To receive the minutes of the Meeting of the Executive Cabinet held on 21 October 2015.	
8.	<b>MEETING OF THE SENIOR STAFFING PANEL</b>	11 - 14
	To receive the minutes of the meeting of the Senior Staffing Panel held on 16 November 2015 and to agree the following recommendations:	
	That Peter Timmins, Interim Assistant Director (Finance) be appointed as the Section 151 Officer from 23 November 2015 for 6 to 12 months to enable the recruitment and successful appointment of a Section 151 Officer.	
9.	<b>MEETING OF DEMOCRATIC PROCESSES WORKING GROUP</b>	15 - 16
	To receive the minutes of the Meeting of the Democratic Processes Working Group held on 26 October 2015.	

For further information please contact Robert Landon on [robert.landon@tameside.gov.uk](mailto:robert.landon@tameside.gov.uk) or 0161 342 2146, or, or the officer named in the report.

- 10. EXECUTIVE MEMBER PORTFOLIOS** 17 - 22
- To consider the attached report of the Executive Leader/Executive Director (Governance and Resources).
- 11. MEMBERSHIP OF COUNCIL BODIES**
- To consider any changes to the membership of Council bodies.
- 12. AMENDMENT TO CONSTITUTION - PROCUREMENT STANDING ORDER** 23 - 42
- To consider the attached report of the Executive Director (Governance and Resources).
- 13. NOTICES OF MOTION**
- (a) To consider the following motion in the name of Councillor L. Travis**
- That this Council notes that on 4 November 2015, the Department of Health confirmed that it would be reducing its spending on public health grants to local authorities by £200 million this financial year.*
- This is part of the further £3 billion of spending cuts to the current financial year announced by the Government in June this year, and follows a consultation in which Tameside Council, AGMA, and national health and social care leaders all appealed against the cut, pointing out the short sightedness of cutting cost effective interventions with clear long term benefits to health and prosperity.*
- The decision to reduce funding for public health has come as a big disappointment, and confirmation of 6.2% in year reduction so far through the financial year is badly planned, ill-timed and potentially life-threatening.*
- For Tameside this cut means an in-year reduction in funding for preventive services of approximately £1M, and will inevitably result in greater demand for health and social care services in the future.*
- NHS commissioned services including Health Visiting and School Nursing will inevitably be hit by these cuts.*
- These cuts are surprising given the Government's commitment to the NHS Five Year Forward View, which has prevention as a key element. Drawing back on prevention locally risks jeopardising the realisation of the vision and benefits of the local health and social care programme Care Together. Our aim to achieve sustainable reductions in health inequalities and improvement in life expectancy will be compromised. Rebalancing investment and activity within a sustainable and cost effective model of collaborative working will be slowed down.*
- This Council firmly believes that it is more important than ever that the distribution of available resources reflects the assessed needs of areas – which means their levels of deprivation - and their ability to raise resources. Unfortunately, the latest announcement follows the same approach as those of the past four years, and will mean that the greatest impact of the cuts will be on the most deprived authorities, such as Tameside.*

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*Given the recent announcement, Tameside Council is extremely concerned about how the Public Health grant will be treated in any future allocation formula.*

This Council therefore calls upon the Government to:-

- (i) Abandon its short-sighted and contradictory approach to cuts in public health funding, when in actual fact it should invest more in prevention and health improvement, with allocations based upon need; and
- (ii) honour its previous commitments to public health funding as set out in the local government finance settlement in March 2015.

**(b) To consider the following motion in the name of Councillor B. Holland**

That this Council recalls the 2010 pledge by the Prime Minister, David Cameron MP, to lead the 'Greenest Government Ever'.

This Council is therefore surprised by the proposals put forward by the Department for Energy and Climate Change (DECC) to further cut the feed in tariff (FIT) payable for electricity generated by Solar Photovoltaic (PV) cells.

The DECC is proposing to reduce the rate paid per kilowatt hour of electricity exported to the grid by up to 98%. This will increase the return period for those who choose to invest in solar PV to a point where installation will become financially unviable for many.

Research by the Solar Trade Association has found that, of the 35,000 jobs in the UK solar industry, 27,000 will be under threat as a result of the reduced deployment of solar energy following these cuts. Their research also found that, as costs continue to fall, the government is predicted to be able to phase out subsidies altogether by 2020 and these cuts will set that date back by reducing demand in the short term.

This Council believes that:

- Solar power is a sustainable form of energy generation that should form part of the UK's energy generation mix.
- The solar power industry is an industry that the government should support if it is serious about moving to a low carbon economy.
- Cuts to feed in tariffs could kill off an industry that is still in its infancy.

Council therefore resolves to:

- Ask the Chief Executive to write to the Secretary of State for Energy and Climate Change, Amber Rudd MP, setting out our opposition to the FIT cuts.
- Ask the Chief Executive to write to our three local MPs to notify them of our position and call on them to lobby the government to protect the solar industry.

**For further information please contact Robert Landon on [robert.landon@tameside.gov.uk](mailto:robert.landon@tameside.gov.uk) or 0161 342 2146, or, or the officer named in the report.**

**(c) To consider the following motion in the name of Councillor Buckley**

That this Council believes that the heritage of the nine towns of Tameside should be cherished and nurtured, and, where possible, strengthened.

We recognise that Tameside is strongest when it is a borough of nine towns coming together with their individual identities, building on the history of each town.

Granted a Royal Charter in 1414, Ashton-under-Lyne also bares evidence of activity in the area predating the Middle Ages. It is noted with sadness, therefore, that the new bus station in Ashton-under-Lyne should lose the name of the town and be called Tameside Interchange.

In order to preserve the heritage of the town, prevent confusion to visitors and to keep Ashton-under-Lyne on the map, this Council resolves to write to the Chief Executive of Transport for Greater Manchester and state that the Council's considered view is that the new bus station in the town should be called 'Ashton-under-Lyne Bus Interchange'.

**14. QUESTIONS**

To answer questions (if any) asked under Standing Order 17.2, for which due notice has been given by a Member of the Council.

**15. URGENT ITEMS**

To consider any other items which the Chair of Council Business (or other person presiding) is of the opinion shall be dealt with as a matter of urgency.

## COUNCIL

Tuesday, 29 September, 2015

### Dukinfield Town Hall

**Commenced:** 5.00 pm

**Finished:** 6.50 pm

**Present:** Councillors Kitchen (Chair), Ricci (Civic Mayor), Affleck, Ballagher, Beeley, Bell, Bowden, Bowerman, Bray, Buckley, Cartey, Cooney, Cooper, Dickinson, Drennan, Fairfoull, J Fitzpatrick, P Fitzpatrick, Fowler, Glover, Gwynne, A Holland, B Holland, Jackson, Kinsey, McNally, Middleton, Patrick, Pearce, Piddington, K Quinn, S Quinn, Reynolds, Robinson, Shember-Critchley, Sidebottom, M Smith, T Smith, Sweeton, Taylor, F Travis, L Travis, Ward, Welsh, Whitehead and Wild.

**Apologies for Absence:** Councillors Bailey, Downs, Francis, D Lane, J Lane, I Miah, R Miah, Peet, Ryan, Warrington and White.

***Civic Mayor (Councillor V Ricci) in the Chair***

#### 1 CIVIC MAYOR'S ANNOUNCEMENTS

The Civic Mayor announced, with great sadness, the recent death of Mrs Lena Eason JP, Honorary Alderman of the Borough and former Mayor and Mayoress of Tameside. He added that Mrs Eason was highly respected by all her friends and former colleagues on the Council and would be sadly missed by all who knew her.

Those present stood and observed a few moments silence as a mark of respect and in memory of Mrs Eason.

***Councillor Kitchen, Chair of Council Business, in the Chair***

#### 2 MINUTES

##### RESOLVED

**That the Minutes of the proceedings of the meeting of the Council held on 14 July 2015 be approved as a correct record and signed by the Chair of Council Business.**

#### 3 DECLARATIONS OF INTEREST

There were no declarations of interest made by Members at this meeting of the Council.

#### 4 COMMUNICATIONS OR ANNOUNCEMENTS

The Executive Leader announced that, since 2010, the Government had reduced the money it provided for council services by £104 million. Over the next five years it was expected that Government would cut a further £90 million.

He explained that difficult decisions were required to ensure the Council met its obligations under the law, and its responsibilities to the community. The Executive Leader highlighted the severity of

the cuts faced by the Council and the need to examine all services and ways of working in order to deliver a balanced budget. He made particular reference to the roll out of the bin swap scheme, which was on target to save approximately £3 million each year through avoided landfill costs.

The Executive Leader made reference to the launch last year of the on-line Budget Consultation with residents and businesses to hear their views on how the Council should address the budget cuts. He explained that, last year, the on-line consultation had received over 3,000 engagements and 1,004 responses through the online budget simulator, and announced the launch of the second budget consultation, which would run until 22 December 2015.

The Executive Leader also commented on the current crisis in Syria and the number of refugees which would be allowed into Britain over the coming 5 years and pledged Tameside's support to those fleeing war and desperation.

Councillor Cooney, Executive Member, Learning Skills and Economic Growth, made reference to recently published GCSE results, with the Borough seeing a rise to 58% of students achieving 5 A\* - C grades including English and Mathematics, the Borough's best ever results. This was a 4% improvement on last year's results, with three schools improved performance by over 10% – St. Damian's, Longdendale and Copley. Councillor Cooney congratulated everyone involved. The Council also had the most improved results in Greater Manchester.

Councillor Cooney also announced the forthcoming retirement of Heather Loveridge, Assistant Executive Director, Learning. He thanked Heather for all her hard work and wished her well for the future.

Councillor Travis, Executive Member, Health and Neighbourhoods, announced the launch of 'Live Active' – a new service aimed at helping people with long term health conditions. She explained that referrals were through G.P's and clinics.

## **5 COUNCIL BIG CONVERSATION**

The Chair reported that no questions had been received for this meeting.

## **6 MEETING OF EXECUTIVE CABINET**

Consideration was given to the Minutes of the meeting of Executive Cabinet held on 26 August 2015. It was moved by Councillor K. Quinn, seconded by Councillor Taylor and:

### **RESOLVED**

**That the Minutes of the Executive Cabinet held on 26 August 2015 be received.**

## **7 MEETING OF STANDARDS COMMITTEE**

Consideration was given to the Minutes of the meeting of the Standards Committee held on 8 September 2015.

It was moved by Councillor M. Smith and seconded by Councillor S. Quinn and:

### **RESOLVED:**

**That the Minutes of the meeting of the Standards Committee held on 8 September 2015 be received.**



## **8 MEETING OF OVERVIEW (AUDIT) PANEL**

Consideration was given to the Minutes of the meetings of the Overview (Audit) Panel held on 27 July and 21 September 2015.

It was moved by Councillor Ricci and seconded by Councillor J Fitzpatrick and:

### **RESOLVED:**

**That the Minutes of the meetings of the Overview (Audit) Panels held on 27 July and 21 September 2015 be received.**

## **9 MEETING OF DEMOCRATIC PROCESSES WORKING GROUP**

Consideration was given to the Minutes of the meeting of the Democratic Processes Working Group held on 27 July 2015.

It was moved by Councillor Cooney and seconded by Councillor K Quinn and:

### **RESOLVED:**

**That the Minutes of the meeting of the Democratic Processes Working Group held on 27 July 2015 be received.**

## **10 MEMBERSHIP OF COUNCIL BODIES**

It was moved by Councillor K Quinn, seconded by Councillor Taylor and:

### **RESOLVED**

- (i) That Catherine Lloyd (UNISON) and Chris Goodwin (UNITE) be appointed as employee representatives on the Local Pensions Board in addition to David Schofield (GMB) and Mark Rayner (UNISON);**
- (ii) That Councillor Janet Cooper be appointed as an employer representative on the Local Pensions Board; and**
- (iii) That Jayne Hammond, Monitoring Officer for Bury MBC, be appointed to the Local Pensions Board.**

## **11 NOTICES OF MOTION**

Consideration was given to the following motion received in accordance with Standing Order 16.1, which was proposed by Councillor M. Smith and seconded by Councillor Bell:

*“That this Council recognises the hazards caused by Sky Lanterns (also known as Chinese Lanterns).*

*Once released, there is no control over the flight path a Sky Lantern takes whilst airborne, or the place it lands when it has burnt out. Sky Lanterns have therefore given rise to a number of serious safety concerns including:*

- Risks to pets, livestock and wildlife.*
- Dangers posed to aircraft.*
- Fires and damage to property and vehicles.*
- The impact on the environment, including littering.*

*Nationally, several significant fires have been caused by Sky Lanterns; perhaps the most notable of which was a fire at Smethwick recycling plant in the West Midlands that caused damage totaling an estimated £6m. In Greater Manchester alone they are thought to be responsible for more than 60 fires in the last 5 years.*

*Council notes that, in response to the dangers posed by the lanterns, a number of Countries including Australia, Spain and Germany have banned their use. However, despite acknowledging these dangers, DEFRA have ruled out a ban on Sky Lanterns.*

*This Council therefore resolves to ban the sale and use of Sky Lanterns on any Council owned property or premises”.*

## **RESOLVED**

**That this Council recognises the hazards caused by Sky Lanterns (also known as Chinese Lanterns).**

**Once released, there is no control over the flight path a Sky Lantern takes whilst airborne, or the place it lands when it has burnt out. Sky Lanterns have therefore given rise to a number of serious safety concerns including:**

- **Risks to pets, livestock and wildlife.**
- **Dangers posed to aircraft.**
- **Fires and damage to property and vehicles.**
- **The impact on the environment, including littering.**

**Nationally, several significant fires have been caused by Sky Lanterns; perhaps the most notable of which was a fire at Smethwick recycling plant in the West Midlands that caused damage totaling an estimated £6m. In Greater Manchester alone they are thought to be responsible for more than 60 fires in the last 5 years.**

**Council notes that, in response to the dangers posed by the lanterns, a number of Countries including Australia, Spain and Germany have banned their use. However, despite acknowledging these dangers, DEFRA have ruled out a ban on Sky Lanterns.**

**This Council therefore resolves to ban the sale and use of Sky Lanterns on any Council owned property or premises.**

## **Motion B**

Consideration was given to the following motion received in accordance with Standing Order 16.1, which was proposed by Councillor Taylor and seconded by Councillor Cartey:

*“That this Council notes with disappointment the passing of the Trade Union Bill at its second reading in parliament on 14 September 2015.*

*This Council believes that the Bill represents the most vicious attack on Trade Unions in over 30 years by introducing measures that will make it more difficult for employees to stand up for and defend their rights at work.*

*Amongst other things the passing of the Bill will introduce:*

- *The removal of the ability of public sector employees to have Trade Union subscriptions deducted from their salaries.*
- *A requirement for unions to notify police if they intend to discuss a strike on social media.*
- *A requirement for police to be notified 14 days in advance of a strike if striking workers intend to use placards or loudspeakers on a picket line.*

- *The appointment of a 'picket supervisor' for each picket who will be required to wear an armband and give their name and contact details to the police and their employer.*
- *A minimum turnout threshold of 50% in ballots for strike action.*

*This Council further notes that human rights groups Liberty, Amnesty International and the British Institute of Human Rights have all condemned the Bill as an attack on the basic right to protest.*

*Council therefore resolves to:*

- *Ask the Chief Executive to write to the Secretary of State for Business, Innovation and Skills, Sajid Javid MP on behalf of the Council setting out our opposition to the Bill.*

*Ask the Chief Executive to write on behalf of the Council to our 3 local MPs setting out our opposition to the Bill and requesting that they use all means available during the Committee stage of the Bill to prevent it from being enacted in its current form”.*

## **RESOLVED**

**“That this Council notes with disappointment the passing of the Trade Union Bill at its second reading in parliament on 14 September 2015.**

**This Council believes that the Bill represents the most vicious attack on Trade Unions in over 30 years by introducing measures that will make it more difficult for employees to stand up for and defend their rights at work.**

**Amongst other things the passing of the Bill will introduce:**

- **The removal of the ability of public sector employees to have Trade Union subscriptions deducted from their salaries.**
- **A requirement for unions to notify police if they intend to discuss a strike on social media.**
- **A requirement for police to be notified 14 days in advance of a strike if striking workers intend to use placards or loudspeakers on a picket line.**
- **The appointment of a 'picket supervisor' for each picket who will be required to wear an armband and give their name and contact details to the police and their employer.**
- **A minimum turnout threshold of 50% in ballots for strike action.**

**This Council further notes that human rights groups Liberty, Amnesty International and the British Institute of Human Rights have all condemned the Bill as an attack on the basic right to protest.**

**Council therefore resolves to:**

- **Ask the Chief Executive to write to the Secretary of State for Business, Innovation and Skills, Sajid Javid MP on behalf of the Council setting out our opposition to the Bill.**
- **Ask the Chief Executive to write on behalf of the Council to our 3 local MPs setting out our opposition to the Bill and requesting that they use all means available during the Committee stage of the Bill to prevent it from being enacted in its current form”.**

## **12 QUESTIONS**

The Chair reported no questions had been received in accordance with Standing Order 17.2.

**13 URGENT ITEMS**

The Chair reported that there were no urgent items of business for consideration at this meeting.

**CHAIR**

## ITEM NO: 7

### EXECUTIVE CABINET

21 October 2015

Commenced: 2.00pm

Terminated: 2.30pm

**Present:** Councillor K. Quinn (Chair)  
Councillors Cooney, J. Fitzpatrick, Robinson, Taylor, Travis and Warrington.

**Apology for Absence:** Councillors Kitchen and M Smith.

#### 22. DECLARATIONS OF INTEREST

There were no declarations of interest to report at this meeting.

#### 23. MINUTES

##### (a) Executive Cabinet

Consideration was given to the Minutes of the meeting of Executive Cabinet held on 26 August 2015.

##### RESOLVED

That the Minutes of the meeting of Executive Cabinet held on 26 August 2015 be taken as read and signed by the Chair as a correct record.

##### (b) Strategic Planning and Capital Monitoring Panel

Consideration was given to the Minutes of the Strategic Planning and Capital Monitoring Panel held on 21 September 2015.

##### RESOLVED

That the Minutes of the Strategic Planning and Capital Monitoring Panel held on 21 September 2015 be received and the following recommendations approved:

##### Asset Management Update

- (i) That the list of disposals identified in the appendix to the report be approved.
- (ii) That the allocation of £154,100 to undertake building condition replacement / repair projects as detailed in the report be approved.

##### Education Capital Update

- (i) That approval, in principle, be given to the allocation of funding for condition schemes detailed in the report totalling £1,715,000 within the Education Capital Programme 2016/17 and 2017/18, subject to sufficient funding being made available by the DfE.
- (ii) That approval be given to the allocation of £220,000 basic need funding in respect of the proposed additional classroom at St James', Hattersley.
- (iii) That the allocation of £40,000 Capital maintenance funding in respect of the temporary ICT solution at three BSF schools be approved.

## **Richmond Street Rail Bridge, Ashton-under-Lyne**

- (i) That approved be given for the total sum of £657,425 to be paid to Network Rail as the Council's contribution to the cost of the works to fully reconstruct the bridge and that the Section 151 Officer be authorised to proceed with the most advantageous option in the Council's best interest in respect of financing this contribution.**
  - (ii) That the Executive Director (Place), in consultation with the Executive Director (Governance and Resources), be authorised to negotiate the final terms, which does not increase risk or cost.**
  - (iii) That the Council's Environmental Services (Design and Delivery) team be responsible for making all arrangements for the delivery of the Richmond Street Bridge Span.**
  - (iv) That the Executive Director (Place) be authorised to take any additional actions which may be expedient to give effect to this decision within the funding available for the project.**
- (c) Association of Greater Manchester Authorities / Greater Manchester Combined Authority**

Consideration was given to a report of the Executive Leader and Chief Executive, which informed Members of the issues considered at the Joint Meeting of the Greater Manchester Combined Authority and AGMA Executive Board on 31 July 2015 and the Greater Manchester Combined Authority on 31 July 2015 and 28 August 2015. Reference was also made to the Greater Manchester Combined Authority and AGMA Executive Board Forward Plan of strategic decisions.

### **RESOLVED**

**That the Minutes and the Forward Plan of strategic decisions be noted.**

## **24. TAMESIDE TRANSPORT INTERCHANGE**

Consideration was given to a report of the Executive Member (Transport and Land Use) and the Assistant Executive Director (Development, Growth and Investment) summarising progress in the redevelopment of the new Tameside Interchange.

It was explained that following the July 2014 funding award, a comprehensive tendering exercise was undertaken by Transport for Greater Manchester, as the delivery agents for the project. The project would see a new interchange constructed primarily on the existing site, but with the footprint shifted slightly to the west to better tie in with the new Metrolink stop in Ashton town centre.

One of the key drivers of the project was better integration with the tram stop at Ashton allowing for multi modal journeys to take place in a seamless manner and enable more passengers to make sustainable choices with regard to transport across Greater Manchester. The majority of stands would operate from a single concourse building although there would be several stands located immediately adjacent to the tram stop. The interchange would incorporate a number of environmentally sustainable initiatives such as rain water harvesting and solar power generation.

Members heard that as part of the consultation process, five public events had been held at various locations in the area in addition to a number of stakeholder meetings. Some 7,600 leaflets were distributed and a number of responses were received to the consultation which closed on 15 September 2015.

In summary, a number of comments were made by members of the public in relation to the design proposals and whilst largely supportive, there were a number of issues raised that would be

addressed by the project team prior to the submission of a planning application. Briefly, these included:

- The need for a completely covered area including links between the main concourse and the stands immediately adjacent to the Metrolink station itself;
- Linked bus, Metrolink and rail information screens; and
- Improved security.

Following completion of the public consultation exercise, it was intended that the submission of a planning application would take place in late 2015 / early 2016 and the commencement of works on site in late 2016 / early 2017. In conjunction with other investment opportunities through the Vision Tameside initiative, funding for improved pedestrian links with the heavy rail facility at Ashton Rail would be sought.

Further to the main planning submission, Transport for Greater Manchester was considering a number of enhancements to the existing Ashton Metrolink stop to complement the new Interchange. In addition, a parallel initiative was being progressed to explore potential mixed-use and other development opportunities which might be appropriate for construction on the site beside the core transport infrastructure.

In conclusion it was explained that the new Tameside interchange formed part of a multi-million investment package of measures for the whole of Ashton town centre area. Together with the new sixth form college, the proposed shared Administration Centre, the St Petersfield development area and investments to the strategic highway network, Tameside continued to see a major reinvention of the borough's main administrative and retail centre within the borough.

## **RESOLVED**

- (i) That the progress report be noted.**
- (ii) That the new interchange scheme be known as the Tameside Interchange to reflect the economic benefit it would bring to the whole Borough.**

## **25. VISION TAMESIDE**

Consideration was given to a report of the First Deputy (Performance and Finance), the Assistant Executive Director (Asset and Investment Partnership Management) and the Assistant Executive Director (Development, Growth and Investment) updating Members with progress in respect of the Vision Tameside Phase 2 programme and any potential financial implications. The report also sought approval for the making of a future key decision to approve a comprehensive programme of public realm and infrastructure improvements in Ashton Town Centre.

The Assistant Executive Director (Asset and Investment Partnership Management) advised that the programme to deliver the Vision Tameside 2 project was progressing well. However, there were cost implications from the design development, IT and furniture and equipment that needed to be managed within the programme. The purchase of James Howe Mill, Turner Lane, Ashton, had been completed with progress by Vodafone in respect of their relocation of the mast on TAC being closely monitored. At the present time it appeared that the temporary relocation of a mast on Union Street car park would still be required. There was a risk of delay as the masts would need to be disconnected and removed before the tower area of the TAC building could be demolished.

The Assistant Executive Director (Development, Growth and Investment), continued by outlining the delivery of high quality public realm works which would support the objectives of the Vision Tameside programme.

The project area had been split into 10 Zones to effectively manage and co-ordinate project development, delivery and phasing. It would also ensure that the four key primary design objectives were achieved. A map of the project scope, identifying each Zone was submitted

demonstrating the impact and integration of the 10 Zones together with a status and progress update for each Zone.

Details of the estimated budget costs and sources of funding were highlighted. The Council had currently committed a total of £7.1 million to this project and it was noted that the report identified potential estimated costs of £9.793 million for work in all the Zones. Therefore the shortfall of £2.662 million would need to be identified from either third parties or a decision taken to reduce the scope of the works. Negotiation with partners was ongoing and further information would be provided in a future report once the funding package had been developed further.

Members considered that due to its high profile, robust governance arrangements would need to be followed in line with Council governance arrangements to secure the successful project delivery of the Ashton Town Centre Public Realm. It was proposed that Assistant Executive Member (Performance and Finance) would take a political lead in relation to financial management reporting to the First Deputy and the Executive Board for direction with any governance decisions being made through Strategic Planning and Capital Monitoring Panel and Cabinet subject to key decisions where required. A full risk register, including details of the range of governance, financial and delivery risks was monitored at the project level at the monthly Task Group meetings and would be overseen by the Project Board.

Executive Cabinet was also advised on planned communication activity over the coming months attached to key development stages of the project. It was proposed that to assist with brand concept the naming of the new Council Offices would need to be addressed and possible suggestions included in a report to Executive Board for consideration.

#### **RESOLVED**

- (i) That the Vision Tameside Phase 2 progress update be noted.**
- (ii) That approval be given to the following approach to the delivery of the Ashton Town Centre Public Realm project as follows:**
  - a) That the outline proposals for the 10 Zones in the project as outlined in the report be approved.**
  - b) To note the governance arrangements whereby the Assistant Executive Member (Performance and Finance) would take a political lead in respect of the oversight of the project particularly in relation to ensuring delivered within budget reporting to the First Deputy and the Executive Board for direction with any governance decisions being made through the Strategic Planning and Capital Monitoring Panel and Cabinet subject to key decisions where required.**
  - c) To receive a future report on the outcome of further detailed project development and consultation with key stakeholders including some clear understanding of the costs outlined 5.34 of the report would be funded.**
- (iii) That a report be prepared for future Member consideration listing suggestions for the name of the new Council Offices.**

#### **26. URGENT ITEMS**

The Chair reported that there were no urgent items for consideration at this meeting.

**CHAIR**



## ITEM NO: 8

### SENIOR STAFFING PANEL

16 NOVEMBER 2015

Commenced: 11.05pm

Terminated: 11.30pm

Present: Councillors K. Quinn (Chair), J. Fitzpatrick and Taylor

Apologies for Councillors Bell and Kitchen  
Absence:

#### 1. EXCLUSION OF PUBLIC AND PRESS

##### AGREED:

That under Section 100A of the Local Government Act 1972 (as amended) the press and public be excluded for the following item of business on the grounds that it involves the likely disclosure of exempt information as defined in Paragraphs 1-10 of Part 1 of Schedule 12A of the Act and in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information, because disclosure of the personal information contained in the report would be in breach of Data Protection principles.

#### 2. APPOINTMENT OF AN INTERIM DIRECTOR OF FINANCE AND S151 OFFICER

Consideration was given to a report of the Chief Executive, as Head of Paid Service which reminded Members that at a meeting of Council on the 6 November 2014, approval had been given to a new corporate structure including the re-designation of the two statutory posts of Section 151 officer (Chief Financial Officer) and Monitoring Officer. It was agreed within the new structure to move the designation of Section 151 Officer (Chief Financial Officer) to the Assistant Executive Director of Finance (following the retirement of the previous post holder) and it was agreed that this post would sit under the Executive Director of Governance (Monitoring Officer) who was from the 1 April 2015 to be known as the Executive Director of Governance & Resources with the Assistant Executive Director (Finance) becoming a member of the Executive Team to advise on financial and budgetary matters.

Members were informed that the Council's constitution, Part 4, under Officer Employment Procedure Rules required that the Senior Staffing Panel appoint chief officers known as Executive Directors and/or statutory officers such as the S151 Officer. At a meeting of the Senior Staffing panel on 6 November 2014, the Panel agreed inter alia that: "*That the appointment of Ben Jay, Assistant Executive Director of Finance as the section 151 Officer be made by Council from the 1 April 2015.*"

The Panel was informed that the existing Assistant Executive Director for Finance and Section 151 Officer had tendered his resignation on the 15 October 2015 with an intended date of departure of 23 November 2015. It was clear that the ongoing financial challenges faced by the Council would require a continual review of the number and nature of senior leadership roles in place. The creation of the Integrated Care Organisation (ICO) would provide further opportunity to review and change the leadership and responsibility of finances across both the Council and health partners. Approximately two thirds of the Councils budget was being invested into the new ICO construct. Accordingly, the change in leadership provided the Council with an opportunity to work more closely with health partners and enable others within the service to take on a broader and more strategic role to support this transition.

It was explained that the role of the Section 151 Officer (Chief Financial Officer) was set out in legislation and by the Chartered Institute of Public Finance and Accountancy (CIPFA). In summary, this role:

- Is the officer of the Council with statutory responsibility for the proper administration of the financial affairs of the Council;
- Is a key member of the Leadership Team, helping to develop and implement strategy and to resource and deliver the organisation's strategic objectives sustainably and in the public interest;
- Must be actively involved in, and be able to bring influence to bear on, all material business decisions to ensure immediate and longer term implications, opportunities and risks were fully considered and aligned with the organisation's financial strategy;
- Must lead the promotion and delivery by the whole organisation of good financial management so that public money was safeguarded at all times and was used appropriately, economically, efficiently and effectively.

In order to achieve this, the Section 151 Officer was required to:

- Attend (or be represented at) meetings of the Executive and Senior Management Teams, Council, Committees, Panels and Working Groups;
- Have direct access to the Chief Executive and Members;
- Provide financial implications on all decision making reports;
- Lead and direct a finance function that was fit for purpose, including the Internal Audit function;
- Exercise the statutory requirements of the role.

Accordingly, regardless of the impact of the Integrated Care Organisation and who would be the lead finance officer for the sector, the Council was obliged to have a S151 Officer in the short term. There was no-one suitably qualified or experienced in-house particularly given the retirement of the former S151 Officer and the very recent appointment of the current incumbent since April 2015. Therefore, to mitigate any risk to the Council pending the appointment of a permanent replacement Section 151 Officer, the Council needed to recruit an interim Assistant Director of Finance.

The proposed INTERIM appointment would have a number of advantages such as:

- Providing immediate leadership and management arrangements whilst the Council dealt with significant financial challenge
- Bringing some significant capacity and experience of change in other organisations
- Strengthen the Council's ability to respond to financial challenges during the period 2015-17.
- Support the clear direction for more integrated and collaborative working with health without having any conflicts.
- Provide some leadership for adopting a succession planning approach wherever possible which supports the medium-term financial strategy and associated human resources workforce plans.
- The changes are achieved with minimum disruption.

The Key tasks that the interim would carry out whilst with the Council would be:

- a) To set a balanced budget;
- b) To support creating an Integrated Care Organisation with clear controls and accountability for the pooling of Council and health budgets so that the Council met its statutory duties efficiently and effectively.
- c) To undertake a service review of the finance function to reduce costs in line with the size and shape of Council and reducing budget, which was fit for purpose and ensured that managers had access to clear financial advice and were effectively supported to control and financially manage their services. This included having a fully implemented and fit for purpose agresso

system which managers were able to use and finance staff support without the need for continual consultancy support.

- d) To put in place and implement a clear procurement strategy which resulted in a significant reduction in spend to 3<sup>rd</sup> party providers.
- e) To lead on the implementation of an alternative solution within the coming 12 months that meant that the Council would no longer bear the risk of hosting traded services to schools.
- f) To lead on the review of fees and charges across the Council with a view to implementing at Council budget setting an increase such the Council is in the top quartile for charges and to introduce charges where they can be implemented but are not currently.

Members were informed that an executive recruitment exercise had identified Peter Timmins as the most qualified and suitable candidate to be proposed to Council. Members were informed that Peter Timmins was an experienced Interim who had held roles at Director level within local government environments, was CIPFA qualified and had a successful track record in Section 151 roles in a number of different Councils including other metropolitan authorities, London boroughs and County councils.

It was proposed that the Senior Staffing Panel should agree the appointment of Peter Timmins as Assistant Executive Director (Finance) and recommend to Council that he be appointed as the Council's Section 151 Officer

It was explained that in relation to the appointment of Peter Timmins as interim Section 151 Officer, the options were:

- (a) The Council approve the appointment of Peter Timmins as interim Section 151 Officer and Assistant Executive Director of Finance as set out in this report.
- (b) The Council do not approve the appointment of Peter Timmins as interim Section 151 Officer. In the event that this option is pursued Section 151 responsibility would remain by default with the Chief Executive until such time as another appointment is made as there is a requirement to appoint one of the officers of the Council to this role. It should be noted that this would not be a sustainable position as the Chief Executive does not hold the necessary qualification of being a qualified accountant. Meanwhile, Peter Timmins will be appointed to provide interim support in the absence of the necessary finance skills and experience in the Council

**RESOLVED:**

- (1) That Peter Timmins be appointed as Interim Assistant Executive Director (Finance);**
- (2) That Council be recommended to agree the appointment of Peter Timmins as the Council's Section 151 Officer.**

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## ITEM NO: 9

### DEMOCRATIC PROCESSES WORKING GROUP

26 OCTOBER 2015

Commenced: 3.00pm

Terminated: 4.10pm

**Present:** Councillors Cooney (In the Chair), Fairfoull, J. Fitzpatrick K. Quinn, Taylor, Ward and Warrington

**Apology** for Councillor Buckley

**Absence:**

#### 1. MINUTES OF PREVIOUS MEETING

##### AGREED:

That the minutes of the meeting held on 27 July 2015 be accepted as a correct record.

#### 2. INDIVIDUAL ELECTORAL REGISTRATION

Consideration was given to a report of the Executive Director (Governance and Resources), which provided an update on the implementation of Individual Electoral Registration (IER) and the steps that were to be taken prior to the publication of the new electoral register on 1 December 2015.

Members were reminded that by law the transition to IER in Great Britain, which began in Summer 2014, would end on 1 December 2015. At that point any entries for electors who were not registered individually, that is those who had not either been confirmed or successfully made individual applications to register to vote would be removed from the register.

It was explained that if transition ended immediately 1.9 million entries would be removed from registers nationally, in Tameside 6,927 would be removed from the register. It was likely that many of the entries that would be removed from the register when the transition ended would be redundant (i.e. they related to people who were no longer resident at the address). However, it was not possible to be certain how many were in fact for electors who were still resident and eligible to be registered to vote but who were not registered individually.

The registers published on 1 December 2015 would form the basis of the registers to be used at the May 2016 elections. In addition, the 1 December 2015 registers would be used for determining the distribution and boundaries of parliamentary constituencies and other electoral areas.

Members were informed that comprehensive household activity had been taking place from 1 July 2015. Household Enquiry Forms (HEFs) had been sent to all 100,000 Tameside properties on 14 July, an initial reminder was sent out on 16 September, the reminder had been sent to 55,000 properties and a further reminder was scheduled to be sent out on 6 November.

In addition to the standard required actions other steps had been taken to maintain the accuracy of the register including the following:

- Data matching and analysis to identify low registration levels and target unconfirmed electors;
- Personal letters to all unconfirmed electors;
- During the canvass regular press releases have been issued and will continue until the end of the canvass;
- Extensive use of social media, large number of posts on Council Facebook and twitter and by partner organisations such as colleges;

- Encouragement to register at all budget consultation events;
- Encouragement to register on Leader's blog;
- Use of the Citizen;
- Internal communications encouraging staff to register to vote;
- Use of publicity material such as poster and banners across the borough until the end of the canvass;
- Use of bookmarks and business cards at various events;
- Working with Registered Social Landlords, CVAT, Fire Service and Bin Swap staff to target particular areas and groups;
- All callers to customer services are reminded to register and assisted in doing so where possible.

In September 2013 the Electoral Commission published a new performance standards framework, there were two performance standards for the transition to IER broken down into four challenges. The performance standards were:

1. Understand the particular challenges in you registration area and develop a plan for engaging with residents which responds to these challenges;
2. Deliver your implementation plan, monitoring progress and making amendments where necessary.

The objective of performance standard 1 was to ensure that all Electoral Registration Officers had in place a local public engagement strategy reflecting the own specific challenges, taking into account their confirmation dry run results and an implementation plan which sets out how they planned to deliver the transition as a whole. The Electoral Commission had previously indicated that they were confident Tameside had in place the necessary strategies and plans to be able to meet the challenges of IER in the local area. An assessment of performance against performance standard 2 would be made following completion of the canvass.

In conclusion it was stated that since beginning work on IER the key issue had always been how many people might drop off the register at the conclusion of the transition, this was originally scheduled to be 1 December 2016 and had be re-scheduled for 1 December 2015. It was explained that after the initial data matching exercise in July 2013 there had been 26,658 reds and 2,535 ambers, this meant that there were 29,193 unconfirmed electors. Since then the number of unconfirmed electors had been reduced to 6,927 and intensive work would be undertaken up to the publication of the new register on 1 December.

**AGREED:**

**That the update be noted and it was agreed that Members would do all they could to support the electoral canvass process.**

**3. ELECTORAL COMMISSION BULLETINS**



Consideration was given to a report of the Executive Director (Governance and Resources), which provided Members with recent copies of the Electoral Commission news bulletin which set out current issues affecting the democratic framework for local government.

**AGREED:**

**That the report be noted.**

**CHAIR**

## ITEM NO: 10

<b>Report To:</b>	<b>COUNCIL</b>
<b>Date:</b>	8 December 2015
<b>Reporting Officer:</b>	Councillor Kieran Quinn, Executive Leader Sandra Stewart – Executive Director (Governance & Resources) and Monitoring Officer
<b>Subject:</b>	<b>EXECUTIVE MEMBER PORTFOLIOS</b>
<b>Report Summary:</b>	The report sets out revised Executive Member portfolios.
<b>Recommendations:</b>	Members are asked to note the revised Executive Member portfolios, which are determined by the Executive Leader in accordance with the Local Government Act 2000 and will take effect from the Monday 9 January 2015.
<b>Links to Community Strategy:</b>	The Constitution and democratic framework provides an effective framework for implementing the Community Strategy.
<b>Policy Implications:</b>	No direct policy implications.
<b>Financial Implications:</b> (Authorised by the Section 151 Officer)	There are no financial implications.
<b>Legal Implications:</b> (Authorised by Borough Solicitor)	Good governance requires regular review of the Constitution to ensure fit for purpose.
<b>Risk Management:</b>	No direct risk implications.
<b>Access to Information:</b>	The background papers relating to this report can be inspected by contacting Sandra Stewart, Executive Director (Governance and Resources).  Telephone: 0161 342 3036  e-mail: <a href="mailto:sandra.stewart@tameside.gov.uk">sandra.stewart@tameside.gov.uk</a>

## **1. LEGAL BACKGROUND**

- 1.1 Councils can organise their decision-making process in different ways although the majority of councils operate a leader and cabinet model rather than an elected mayor who holds most of the powers of the Council. Under the leader and cabinet model, the full council elects a leader, who in turn appoints and chairs the cabinet. Each cabinet member has a specific area of responsibility as determined by the leader to cover all the executive functions of the council – for example children and young people, housing or resources.
- 1.2 The cabinet may also be called the executive and it is they who are responsible for implementing strategy and making decisions within a policy framework, budget, spending plans and constitutional framework set by the full council, on which all councillors sit. Finally there are some regulatory and quasi-judicial functions over which the Cabinet does not have responsibility – for example determining planning applications and making decisions on licensing. These are delegated to a separate planning and regulatory committees known as Speakers Panels.
- 1.3 The constitution agreed and approved by council sets out how the council conducts its business. It includes:
- who is responsible for making decisions and how decisions are made
  - procedural matters (set out in the Standing Orders)
  - role and delegation of officers
  - standards and ethical governance.
- 1.4 Accordingly, this determines what decisions are made where. The Executive Leader determines the portfolios of the Cabinet and the purpose of this report is to ensure there is transparency as to the areas of responsibility and accountability.

## **2. REASON FOR REVIEW**

- 2.1 Elected members are being asked to make tough decisions about services and the Executive Cabinet are legally required to lead this change and deliver a balanced budget in a way that is transparent to members and the public.
- 2.2 Councils across the country have undergone major changes in the last couple of years as we address the budget reductions. This is set to continue for the foreseeable future and at least until 2020.
- 2.3 Some transformation of local government would have been inevitable even without financial challenges facing councils. This is because as we know there is starting to be a fundamental understanding that a whole system approach is required, which includes residents and communities and is not about organisational boundaries. No more is this demonstrated better than in the health economy, where it is cheaper and more beneficial for residents to be in a residential setting or supported at home than in a hospital bed yet the cuts are being made in the Adult Social Care budgets and hospitals remain financially incentivised to keep people in beds. It is for this reason that it is important that we demonstrate leadership in this area and provide constancy of purpose to progress the Integrated Care Organisation.
- 2.4 The Council is required to face the financial decision by considering how we can continue to meet resident's needs in dramatically different ways. We need to make hard decisions expediently whilst ensuring they are as robust as possible and have the confidence of members and public that they are as transparent as possible.
- 2.5 The Executive Cabinet are legally charged with the responsibility to drive the change to deliver a balanced budget in the face of the immediacy of the cuts and need to have a relentless focus on the budget reductions and the Council's priorities.



- 2.6 One of the significant drivers for the council to do this expediently is the announcement from the Treasury that the Department for Communities and Local Government has already agreed a cut of 30% with Treasury in advance of the spending review. This will have a significant and profound impact on us as we are heavily reliant upon this central funding from government, more so than most councils, as only a third of our budget comes from council tax. This will mean we will have to implement our budget reduction plans harder, faster and deeper - making cuts into more areas.
- 2.7 We know we are looking at really unpalatable decisions as we attempt to protect those services for the most vulnerable adults and children. Reluctantly, this means looking at reviewing employee terms and conditions and other really difficult choices set out in the budget consultation.
- 2.8 The Cabinet portfolios have remained consistent since about 2010 apart from reduction in numbers from the statutory maximum of 10 to a current 8 portfolios and this constancy of leadership and purpose has assisted us in delivering over £110 million budget reductions to date.
- 2.9 However, given the significant challenge we face, now is an expedient time to review the portfolios to ensure they reflect shape of authority going forward and more importantly to provide fresh eyes and approach to driving this forward.

### **3. REVISED PORTFOLIOS**

- 3.1 The revised Portfolios are set out at **Appendix 1** together with the Cabinet Members who will hold these posts.
- 3.2 The new roles will take effect from Monday 9 January 2016 to ensure an effective and efficient handover whilst ensuring appropriate arrangements are in place during the Christmas closure.

### **4. RECOMMENDATION**

- 4.1 As set out at the front of the report.



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## CABINET PORTFOLIOS – SUMMARY OF RESPONSIBILITIES

<b>EXECUTIVE LEADER</b>	<b>DEPUTY EXECUTIVE LEADER</b>	<b>FIRST DEPUTY (PERFORMANCE &amp; FINANCE)</b>	<b>HEALTHY &amp; WORKING (Health, Housing and Economic Growth)</b>	<b>CHILDREN AND FAMILIES</b>	<b>LIFE LONG LEARNING FROM 0 TO ADULT</b>	<b>ADULT SOCIAL CARE &amp; WELLBEING</b>	<b>CLEAN &amp; GREEN (Waste, Environment &amp; Engineering)</b>
<b>Cllr Kieran Quinn</b>	<b>Cllr John Taylor</b>	<b>Cllr Jim Fitzpatrick</b>	<b>Cllr Gerald P. Cooney</b>	<b>Cllr Peter Robinson</b>	<b>Cllr Lynn Travis</b>	<b>Cllr Brenda Warrington</b>	<b>Cllr Allison Gwynne</b>
Strategic Oversight of the Council's affairs	Deputise for Executive Leader	Efficiency, improvement, Vfm, performance & policy	Public Health function including Health Care Commissioning, Health Protection, & Complex dependencies	Statutory Lead for Children's Services	Early years learning & School readiness	Development & Implementation of Integrated Care Organisation (ICO)	Waste Collection, disposal & Recycling in commercial waste & strategies to address fly-tipping
Represent the Council & furthering the Council's interests within GM, NW and nationally.	Special projects and task and finish service reviews at request of Leader	Monitoring of Capital & Revenue Budgets	Prevention, health improvement & reduction of health inequalities	Children's Social Care & Safeguarding	Education Attainment & Achievement; Schools development & support	Commissioning, provision & procurement of adult social care	Carbon Reduction
Principal political spokesperson for the Council	Promotion of good governance, Democratic Services, including Member support & civic matters	Corporate & business planning	Leisure & culture including Public Libraries & Art Galleries	Youth Provision	School organisation, Admissions, Education Welfare, Psychology and Transport	Older Peoples Services	Environmental Health & Public Protection including Licensing & Trading Standards
Oversight of annual budget including overall control of revenue & capital functions.	Legal Services & Registrars	Exchequer & Benefit Services	Response to changing national health policy & reform	Support Services – early intervention, behaviour, respite, sensory & autism	Behaviour for Learning & Inclusion (BLIS); Communication, Languages & Autism Support	Learning Disability Service	Engineering operations & Highway development
Strategic economic functions	Executive Support	Internal Audit, risk management & insurance	Strategic housing matters	Health as it relates to children's services	Pupil Referral Unit (PRU)	Physical Disability Services	Transportation, Fleet management & Parking
Regeneration & funding bids & Development of town centres	Media, Marketing & Comms	Resource Procurement	Operational aspects of housing & homelessness	Children with Disabilities	School Library service and Virtual School	Mental Health Services	Street Cleansing and grounds maintenance & countryside
Chair of Greater Manchester Pension Fund	Land Use & development including Planning & Building Control & conservation	Property & Asset Management	Economic Growth Activities – business support; apprentices; worklessness & skills	Corporate Parenting	Building schools for the future and any successor programme together with ; Schools capital programme	Equalities Issues	Corporate health & Safety & Emergency Planning
Lead on Tameside Strategic Partnership	Human Resources & Workforce Development	Information & Communications Technology	Inward investment	Children's Centres	SEN post 16	Community Cohesion & social inclusion	Land Drainage & flooding
Chair of Health & Wellbeing Board	Neighbourhood services & customer Services	Council's interest as shareholder in Manchester Airport	Voluntary and Community Sector liaison	Early Help & Troubled families	Traded Services and self-sustaining school support including music, governor services, HR, finance etc		Bereavement Services
Nominate authorities representatives on outside bodies	Enforcement	procurement	Conduct of local, parliamentary and European elections	Foster carers			
	Markets		Military covenant				

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## ITEM NO: 12

<b>Report To:</b>	<b>COUNCIL</b>
<b>Date:</b>	8 December 2015
<b>Executive Member/Reporting Officer</b>	Councillor Kieran Quinn, Executive Leader Sandra Stewart – Executive Director (Governance & Resources) and Monitoring Officer
<b>Subject:</b>	<b>AMENDMENT TO CONSTITUTION – PROCUREMENT STANDING ORDERS</b>
<b>Report Summary:</b>	To inform Members of the review of the Procurement Standing Orders contained within Part 4 (Procedural Rules) of the Constitution and to seek approval to amend the Procurement Standing Orders and adopt a revised form incorporating amendments necessary because of the Public Contracts Regulations 2015 and the Social Value Act 2012.
<b>Recommendation</b>	<ol style="list-style-type: none"><li>1. The Council's Procurement Standing Orders be amended as detailed in <b>Appendix 1</b> of the report.</li><li>2. That the Council adopts the Greater Manchester Combined Authority (GMCA) Social Value Policy and Framework detailed in <b>Appendix 2</b> and continues to work with colleagues from across the region to continue to fully implement the requirements of the Social Value Act 2012.</li></ol>
<b>Financial Implications:</b> <b>(Authorised by the Borough Treasurer)</b>	None arising directly from this report.
<b>Legal Implications:</b> <b>(Authorised by the Borough Solicitor)</b>	The Council's Procurement Standing Orders (PSO) must be followed whenever the Council procures goods or services. In recent years the Council has been faced with a significant reduction to resources, this is set to continue for the foreseeable future. In such circumstances, where resources are reduced and officers capacity has been increased it is important to ensure that controls are in place to support the safe deployment of Council resources.
<b>Risk Management:</b>	The review and revision of PSOs seeks to reduce the risk of unlawful or poor procurement practise. Training will continue to be provided.
<b>Access to Information:</b>	The background papers relating to this report can be inspected by contacting Sandra Stewart, Executive Director (Governance and Resources).
	 Telephone: 0161 342 3036
	 e-mail: <a href="mailto:sandra.stewart@tameside.gov.uk">sandra.stewart@tameside.gov.uk</a>

## **1. BACKGROUND**

- 1.1. Section 135 of the Local Government Act 1972 requires all local authorities to have Procurement Standing Orders (PSO). They form part of the Council Constitution. They apply to a wide range of contracts that the Council award, including hosted bodies, schools and the Greater Manchester Pension Fund.
- 1.2. The current PSO have been in place for a number of years and as a result it is now an appropriate time to amend these standing orders, to ensure that they follow more closely the express provisions of the Procurement Rules in a way that will both give clearer guidance and provide greater protection for the Council against potential challenge.

## **2. METHODOLOGY TO REVIEW THE PSO**

- 2.1. The review and subsequent updates to the PSO has been led by Legal Services in conjunction with the Corporate Procurement Team and other key stakeholders including Audit from across the organisation. Interviews with key stakeholders took place to ascertain how procurement activity is conducted, overall compliance with PSO and the challenges faced in adopting the procurement rules.
- 2.2. The findings were as follows:
  - Procurement overall was being conducted in a satisfactory manner;
  - Few problems were encountered with bidders and there have been only a small number of threatened challenges over the past three years with none leading to formal proceedings;
  - Good use was being made of the central procurement advisory service in Resource Management, but the small size of the team meant that only a predominantly reactive service could be offered;
  - The PSO were generally felt to be working well and there was only modest appetite for changes;
  - The Code of Practice was excessively long and unwieldy, contained gaps and was in need of major updating in the light of changes to the Procurement Regulations;
  - A better understanding of the use of the waiver procedure to obtain exceptions to the PSO.

## **3. PROPOSED CHANGES TO THE PSO**

- 3.1. Overall it is felt that the PSO are working well and that where changes are required they are minimal and for the purpose of ensuring that the PSO are compliant with recent regulation changes and the recent technological advances that have been made in procurement. The proposed changes to the PSO are as follows:

### **New Public Contract Regulations**

- 3.2. Some consequential amendments are needed to update the PSO in the light of the new Public Contracts Regulations 2015. These are principally regarding minor changes to the procurement procedures that can be used. In addition the Restricted Procedure can no longer be used for below threshold procurements.

### **Thresholds**

- 3.3. It is proposed that a small amendment is made to the thresholds governing which procurement procedure should be followed. These are set out in table 1 below:

**Table 1**

<b>Procurement Procedure</b>	<b>Existing Threshold</b>	<b>Proposed Threshold</b>
Professional judgement	£0 - £10,000	£0 - £5,000
Quick Quote (via the Chest)	£10,001 - £20,000	£5,001 - £25,000
Three written quotations (Via the Chest)	£20,001 - £60,000	£25,001 - £60,000

3.4 The purpose of these changes is to reflect the requirements of two recent changes to legislation. By ensuring that the Council policies are aligned with such requirements we can ensure that such data is captured in an efficient and effective manner using the Chest system whilst ensuring compliance with the regulations.

3.5 Firstly, the Local Government Transparency Code 2014 requires all Councils provide details of:

- invitations to tender to provide goods and/or services with a value exceeding £5000;
- contracts, commissioned activity, purchase orders, framework agreements and any other legally enforceable agreement with a value that exceeds £5,000.

Tender and contract information should be published at least on a quarterly basis, with first publication not being later than 31 December 2014. The data should be published not later than one month after the quarter to which the data and information is applicable. The council complies with this requirement and the information is available on its website. The Council's Finance team are responsible for ensuring the information is published.

3.6 Secondly, under the new Regulations all contracts over £25k have to be advertised on the Government Contracts Finder website. No other uprating of the thresholds is proposed as it is felt that they are an important and relevant discipline.

#### **Waivers**

3.7 The change proposed here is to provide greater clarity that for contracts caught by the Public Contracts Regulations 2015. Waivers can only be sought in the situations provided for in the exceptions to the Regulations. The exceptions are set out in full in the new PSO.

3.8 At the same time the revised PSO will retain the reporting and approvals provisions, which have been successfully operated to date and which will continue to apply to all contracts where Waivers are sought. These require the approval by the Executive Director of Resources and Governance of a written report submitted by the Procurement Lead's Executive Director. It is not proposed that any modification be made to those requirements.

#### **Contracts Finder**

3.9 The revised PSO's include the new Government requirement that certain procurements have to be advertised on the Government website Contracts Finder. This means for the Council that it will apply to all contracts £60K or over.

#### **Frameworks**

3.10 Under the existing PSO's a waiver is requiring before utilising any public sector such as those operated by the Crown Commercial Service (CCS) or a number of local or regional bodies. The revised PSO's provide that annual waivers can be obtained giving prior approval to use of named frameworks.

#### **Opening Procedures for Electronic Tenders**

- 3.11 With the increasing submission of electronic tenders through portals such as the Chest, and the checks and balances this automatically provides, the opportunity arises to streamline the procedures for opening such tenders. The revised PSO's provide that a single officer of Democratic Services can open the tenders.

#### **Regulation 84 Report**

- 3.12 The revised PSO's include the new requirement under the Procurement Rules for the lead officer to write and retain a written report for every over EU threshold contract - a "Regulation 84 Report." This covers specified information about the procurement process, framework agreement and dynamic purchasing system which is awarded or established by the Council.

#### **Extension of Contracts**

- 3.14 The extension of an existing contract can have significant policy and finance implications for the Council. The revised PSO's provide therefore that going forward the written approval of the Executive Director of Resources and Governance and the Assistant Executive Director of Finance in consultation with the First Deputy for Finance and Performance and the relevant service area Executive Member must be obtained. This is the same procedure as currently exists for variation of contracts.

#### **The Chest**

- 3.15 The use of the Chest across the organisation has increased significantly in recent years, however, in some service areas it is still sporadic. The Public Contract Regulations 2015 require that from 18 October 2018 there will be full electronic communications during procurement. It is important that the Council starts to move towards becoming fully electronic before this date and so it is felt that it is important to make the use of the Chest system mandatory in future for all procurement processes over £5k. In addition this will support the reporting of data required under the Local Government Transparency Code 2014 and the need to publish of data on Contracts Finder.

#### **Social Value**

- 3.16 The revised PSO include a reference to the Public Services (Social Value) Act 2012, which came into force in January 2013. It is now a legal obligation for local authorities and public bodies to consider the social good that could come from the procurement of services before they embark upon it. The aim is not to change the procurement or commissioning process, which already take the requirements of the Act into consideration but to ensure that as part of these processes the Council gives consideration to the wider impact of service delivery. In November 2014 The Greater Manchester Combined Authority (GMCA) approved a social value policy and framework for use across the region. The work undertaken in respect of the social value policy has since won a SOPO social value award which recognises the collaborative work that has been undertaken. The full policy can be found at **Appendix 2** to this report, in summary the objectives of the policy are as follows:

- Promote employment and economic sustainability - tackle unemployment and facilitate the development of skills.
- Raise the living standards of local residents – working towards living wage, maximise employee access to entitlements such as childcare and encourage suppliers to source labour from within Greater Manchester
- Promote participation and citizen engagement - encourage resident participation and promote active citizenship
- Build the capacity and sustainability of the voluntary and community sector– practical support for local voluntary and community groups
- Promote equity and fairness – target effort towards those in the greatest need or facing the greatest disadvantage and tackle deprivation across the borough
- Promote environmental sustainability – reduce wastage, limit energy consumption and procure materials from sustainable sources



3.17 It is proposed that Tameside MBC formally adopt this policy and continue to work with colleagues from across the region to continue to fully implement the requirements of the Social Value Act 2012.

**Council Structure and Approval Process**

3.18 The PSO have been updated to reflect the recent changes to the Councils structure, in particular the removal of the reference to the Executive Director (Finance) to clarify the responsibilities of the S151 Officer known as the Chief Finance Officer and currently shown in the Council's structure as the Assistant executive Director of Finance. The **table 2** summarises this information:

**Table 2**

Procurement Situation	Approval required from:			
	Executive Director	Relevant Service Executive Member and/or First Deputy	Executive Director of Resources & Governance	Chief Finance Officer Assistant Executive Director of Finance
Exception to the PSO (Waiver)	✓	✓	✓	✓
Work for outside bodies over £30k		✓	✓	✓
Best bid Exceeds 5% of the estimated value		✓	✓	✓
Use of a procedure other than Open or 'Restricted'	✓	✓	✓	✓
Authorisation to use Light Touch Procurement			✓	✓
Accepting Tenders where it has not been negotiated, is not best value or less than three tenders were received		<b>both</b>	✓	✓
Requests for extensions , direct awards or contract variations	✓	<b>both</b>	✓	✓
Dealing with contract Claims			✓	✓

3.19 When entering into a contract the appropriate formal procedure must be followed. If the contract value is over £60k then the contract must be in writing and sealed by the Council. The sealing can be witnessed by one of the following people:

- Executive Director of Resources & Governance
- Head of Legal Services
- Assistant Borough Solicitor
- Anyone authorised by the Executive Director of Resources and Governance

3.20 If the contract value is between £25k and £60k then the contract must be in writing and signed by two officers, one of which must be from the following list:

- Chief Executive
- Executive Director of Resources & Governance
- Member of the Senior Management Team
- Head of Legal Services

#### **4 RECOMMENDATION**

4.1 The Council's Procurement Standing Orders be amended as detailed in **Appendix 1** of the report.

# APPENDIX 1

## New Procurement Standing Orders

### PROCUREMENT STANDING ORDERS

#### A GENERAL INFORMATION ABOUT THE STANDING ORDERS

##### A1 Why Do We Have Procurement Standing Orders?

- 1 Section 135 of the Local Government Act 1972 requires all local authorities to have them. They are part of our Constitution.
- 2 We use them to ensure that there is a fair competition when we buy goods and equipment or commission services or works. They set out the procedure to be followed.
- 3 They apply to a wide range of contracts we award, to schools (except D1.1.4 and D1.1.7) who award contracts as our agent, the Greater Manchester Pension Fund and any other unincorporated bodies that we host. They do not apply to staff contracts, purchases of land or financial investments by the Council.
- 4 Executive Directors are responsible for ensuring that all staff follow these Standing Orders and the Public Contracts Regulations 2015, which for the purpose of these Standing Orders we call the Procurement Rules. They do this by appointing a lead officer who looks after the contract tender and award process and to manage the contract once it has been awarded. Our Code of Practice gives guidance on the Procurement Rules.
- 5 **If any officer does not follow these Standing Orders or the Procurement Rules this may result in disciplinary action being brought against such employee and/or and senior officer responsible for ensuring compliance.**

##### A2 Are There Any Exceptions to the Standing Orders?

- 1 We can waive Standing Orders in exceptional circumstances as long as we don't break the Procurement Rules and it will achieve best value.
- 2 Anyone wanting an exception has to follow the approval process. This means the lead officer first getting their Executive Director's agreement and then submitting a written report to the Executive Director of Resources and Governance who can approve it in consultation with an Executive Member of the Council and the Chief Finance Officer. The Executive Director of Resources and Governance exercises an overall inspection and monitoring role in conjunction with the Chief Finance Officer as S151 Officer with responsibility for the Audit function.
- 3 We keep a record of all exceptions that are approved.
- 4 We make similar arrangements for the Greater Manchester Pension Fund.

##### A3 What Do We Gain Though Having Standing Orders?

- 1 They make sure that we get the benefits of competition and act in a proper manner.

- 2 They help us get best value and ensure that we show fairness, transparency, equality and integrity in all our dealings and that we act lawfully.

#### **A4 Are there People We Can't Contract With?**

- 1 We cannot have contracts with any Councillor or any organisation that the Councillor or any relative\* of the Councillor has an interest in, unless there has been a competitive procurement and the contract is awarded to the best value tender. \*Relative here means spouse, partner, parent, parent-in-law, child, stepchild, child of a partner or sibling.
- 2 Employees are also required to disclose in writing to the Executive Director for Governance & Resources of any financial interest in a contract, whether direct or indirect (not being a contract to which s/he is himself a party), that has been, or is proposed to be, entered into by the Council. Section 117 of the Local Government Act 1972 makes it a criminal offence to fail to do so.
- 3 The Head of Democratic Services any such interests or notifications in a Register.

#### **A5 Work for Outside Bodies**

- 1 An Executive Director can only submit a tender for work over £30K for an outside body if a report has been approved by the Executive Member, the Chief Finance Officer and the Executive Director of Resources and Governance.

### **B THE INITIAL STAGES OF PROCUREMENT**

#### **B1 How Do We Estimate Value?**

- 1 First of all the lead officer has to do an estimate of the value of the contract and be aware of the threshold values under the Procurement Rules. These dictate which rules apply.
- 2 This has to be genuine and not a way to get round the thresholds in the Procurement Rules. For example we cannot divide up contracts or orders without a valid reason.
- 3 We must calculate the value that the person winning the contract will get over the expected life of the contract. We must also include any sums we get from third parties such as central Government. For a one off order, it means the order value. For recurrent purchases we look at the total value of purchases over the term of the contract.
- 4 If we receive a best bid which is more than 5% above the estimate value, the lead officer's Executive Director has to submit a written report with a full justification to the Executive Director of Resources and Governance who has to consult the First Deputy (Finance & Resources) and the relevant Service Executive Member of the Council. S/he cannot approve it if it takes it above a legal threshold. It will then have to go out to tender. It is therefore very important that lead officer err on side of caution otherwise the procurement process may end up taking longer than intended or desired.
- 5 If the estimate is close to the threshold for the Procurement Rules to apply, the lead officer must carry out a tender exercise that complies with the Procurement Rules.

#### **B2. How Do We Get Best Value?**

- 1 Everything we do has to be designed to get best value for the Council.

- 2 The definition we use is best the combination of whole life costs and benefits to meet the Council's needs.
- 3 Before starting any procurement or awarding any contract the lead officer has to understand those needs and check whether they could be met instead from an existing contract.
- 4 The lead officer also has to check that there is finance available from a Council revenue or capital budget. It may be necessary given the scale of spend for the lead officer to have in principle governance to incur such expenditure.

### **B3 We Care about Social Value**

- 1 We must follow the Public Services (Social Value) Act 2012. This means that when we embark on a procurement exercise the lead officer must consider how it might improve the economic, social and environmental well-being of the inhabitants of Tameside.

### **B4 How Do We Ensure Proper Specifications?**

- 1 All specifications have to set out what the Council needs clearly and precisely. We do not allow the contract to be advertised until the Specification is ready.
- 2 The Specification cannot include material that is discriminatory, distorts competition or is non-commercial. This applies to any quality standards we specify.
- 3 We only name specific products, sources or process if these are essential for our needs. When we do so we allow equivalent items to be used.
- 4 All our Specifications and contracts must include conditions dealing with our legal requirements or policies. We also require minimum levels of insurance cover.

## **C UNDERTAKING A COMPETITIVE PROCESS**

### **C1 We Use Public Sector Portals**

- 1 All contracts £60K and over have to be advertised on the Government website Contracts Finder.
- 2 Procurement leads must use the Chest, the North West's Local Authority Procurement Portal for all competitive procurements.

### **C2 We Use Frameworks**

- 1 We support the use of national, regional and local frameworks as they produce significant savings in time, effort and cost for the Council.
- 2 We operate a general waiver system for use of frameworks. A general waiver is approved annually listing the frameworks which can be used without the need for further authorisation.
- 3 If the framework does not fall within the general waiver, written approval of the Executive Director of Resources and Governance and the Chief Finance Officer in consultation with the First Deputy (Finance & Performance) must be obtained.

### **C3 How Do We Choose The Right Procurement Procedure?**

- 1 Before choosing a procurement procedure the lead officer has to look at the Code of Practice to see if the Procurement Rules apply. The lead officer should also get advice and approval from Corporate Procurement and also legal services if needed.
- 2 If the procurement is going to be carried out by another public body, the lead officer must submit a report and get written permission from the Executive Director of Resources and Governance that it is lawful for us to participate.
- 3 The lead officer must select the procedure that is most likely to get best value for us and calculate the value of the contract in accordance with the Procurement Rules.

### **C4 Contracts Under £25K**

- 1 The lead officer is free to decide how to proceed based on professional judgment. This means for contracts over £5K the 'Quick Quote' facility in the Chest should be used
- 2 The lead officer must comply with our Financial Regulations and Procedures and these Standing Orders and keep a written record of the decision.

### **C5 Contracts £25K or Over but Under £60K**

- 1 The lead officer must use the Chest to get at least three quotations from suitably experienced firms that can meet our needs.
- 2 There must be a proper system in place for receiving, opening, registering and evaluating the quotations.
- 3 The lead officer can accept the best value quotation and must comply with our Financial Regulations and Procedures and these Standing Orders. If these are not complied with, the lead officer must submit a written report for the written approval of the Executive Director of Resources and Governance and the Chief Finance Officer in consultation with the First Deputy Finance & Performance.

### **C6 Contracts £60K or Over but Below the Procurement Rules Thresholds**

- 1 The lead officer must comply with these Standing Orders and use one of the following procedures as set out in the Procurement Rules:
  - Open Procedure;
  - Competitive Procedure with Negotiation;
  - Competitive Dialogue;
  - Innovation Partnership.
- 2 If the lead officer wants to use any procedure other than the Open one, permission must be obtained in advance from the Executive Director of Resources and Governance in consultation with the First Deputy Finance & Performance and relevant service Executive Member. The lead officer must submit a written report to the Executive Director.
- 3 Restricted procedure cannot be used for a below threshold procurement.

## **C7 Contracts At or Over the Procurement Rules Thresholds**

- 1 The lead officer must consult the Code of Practice to see if the Procurement Rules apply.
- 2 If the lead officer feels that the Procurement Rules do not apply, if for example it is a 'Light Touch' services procurement which has a higher threshold, written confirmation has to be obtained from the Executive Director of Resources and Governance and the advice placed on the procurement file. In that case the lead officer must follow the procedure in the previous paragraph.
- 3 If the Procurement Rules do apply, the lead officer must use one of the following procedures as set out in the Procurement Rules:
  - Open Procedure;
  - Restricted Procedure;
  - Competitive Procedure with Negotiation;
  - Competitive Dialogue Procedure;
  - Innovation Partnership.
- 4 If the lead officer wants to use any procedure other than the Open Procedure or Restricted Procedure, permission must be obtained in advance from the Executive Director of Resources and Governance in consultation with the First Deputy Finance & Performance and the relevant service Executive Member. The lead officer must submit a written report to the Executive Director.

## **D ENSURING PROBITY**

### **D1 What Are the Arrangements for Tenders?**

- 1 The lead officer has to give the Head of Democratic Services details of the name and date of every tender invitation.
- 2 It is our policy to use electronic tendering as set out in the tender instructions describing the system approved by the Executive Director of Resources and Governance as being secure. In such cases after the deadline for submission of tenders has passed the electronic seal can be opened by a single duly appointed officer of the Democratic Services.
- 3 Where this is not available, bids can be submitted by post or hand delivery to in a sealed envelope marked with the word 'tender' and its name addressed to the Head of Democratic Services, Tameside MBC, Dukinfield Town Hall, King Street, Dukinfield SK16 4LA.
- 4 The Head of Democratic Services has to record the date and time of receipt and keep the unopened tenders in a safe place until the deadline for tender submission has passed.
- 5 Tenders cannot be submitted by fax or email and late tenders cannot be considered. The Head of Democratic Services has to notify any bidder who submits a faxed, emailed or late tender.
- 6 Duly appointed officers of the Democratic Services and Finance open the tenders. They access and record electronic tenders first followed by paper tenders. They put in the Tender Register:
  - Name of the tender
  - Name of the Bidder
  - Date and time of receipt of each tender

- Value of each bid
  - Date and time of opening of each tender and the names of the persons present.
- 7 Arrangements are then made for the lead officer to collect the tenders. The lead officer then sets up an Evaluation Panel to do an evaluation in accordance with the Code of Practice.

## **D2 Evaluating Tenders received**

- 1 Tenders cannot be altered during the evaluation, except where there are obvious arithmetical errors or discrepancies that would affect the value of the tender. If that happens the lead officer can notify the bidder and give an opportunity for the bidder to write:
- Confirming the tender
  - Withdrawing it or
  - Correcting the error or discrepancy
- 2 A record has to be kept of any corrections made as a result.
- 3 We cannot negotiate with bidders after tenders are received, unless we are using a Competitive Procedure with Negotiation.

## **D3 Accepting Tenders**

- 1 The lead officer can accept the best value tender received in accordance with the Code of Practice.
- 2 If the lead officer wants to accept a tender where:
- it is not best value, or
  - it has been negotiated, or
  - less than 3 tenders have been received
- a report has to be written with a full justification with details of the evaluation.
- 3 The lead officer has to submit this for approval by the Executive Director of Resources and Governance and the Chief Finance Officer who have to consult the First Deputy Finance & Performance and the relevant service Executive Member.

## **D4 Contract Award**

- 1 The lead officer has to inform every bidder of the result in accordance with the Code of Practice.
- 2 The Procurement Rules require the lead officer to write and retain a written report (a "Regulation 84 Report") covering specified information about the procurement process for every over EU threshold contract, framework agreement and dynamic purchasing system which is awarded or established.
- 3 We keep a Register of Contracts so the lead officer must inform Corporate Procurement that the contract has been awarded giving the information required in the Code of Practice.

## **E ENTERING INTO A CONTRACT**

### **E1 We Have Some Formal Requirements**



- 1 Contracts over £60K have to be in writing and sealed by the Council. The sealing can be witnessed by any of one of the following people:
  - Executive Director of Resources and Governance;
  - Head of Legal Services;
  - Assistant Borough Solicitor; or
  - Anyone authorised by the Executive Director of Resources and Governance.
- 2 Contracts between £25K and £60K have to be in writing and signed by two officers, one of whom has to be from the following list:
  - Chief Executive
  - Executive Director of Resources and Governance
  - Member of the Senior Management Team
  - Head of Legal Services
- 3 Contracts below £25K have to comply with our Financial Regulations and Procedures.
- 4 Contracts only start when a formal agreement has been signed or a letter of acceptance and an official order for the procurement has been issued. We make payments under contracts in accordance with the terms of the contract.
- 5 We monitor Contracts and review the performance of contractors regularly throughout the contract period.

## **F CHANGING THE CONTRACT**

### **F1 Can We Extend or Vary Contracts and Make Direct Awards?**

- 1 All requests for extensions, direct awards or variations to a contract have first to be authorised in writing by an Executive Director or the Director of Pensions if it is a Pension Fund matter.

#### **Extension**

- 2 Contracts can only be extended if:
  - There is an extension provision in the contract, or
  - Only the existing contractor can meet the tender requirements and no reasonable alternative or substitute exists, or
 There is extreme urgency due to events which we could not foresee and are not our fault. This usually means Act of God situations such as fire or flood.

- 3 In all such cases the written approval of the Executive Director of Resources and Governance and the Chief Finance Officer in consultation with the First Deputy Finance & Performance and the relevant service Executive Member must be obtained.

#### **Direct Award**

- 4 Where the Procurement Rules apply a direct award of a contract i.e. without any competition can only be made if:
  - No suitable tender is received capable of meeting our requirements.
  - Our requirements can only be met by a single bidder because:
    - (i) the aim of the procurement is the creation or acquisition of a unique work of art or artistic performance, or
    - (ii) competition is absent for technical reasons
    - (iii) we have to protect exclusive rights such as intellectual property rights and no reasonable alternative or substitute exists.

- There is extreme urgency due to events which we could not foresee and are not our fault. This usually means Act of God situations such as fire or flood.

## Variation

- 5 Where the Public Contracts Rules apply a contract can be varied if:
- The variation is provided for in the original contract;
  - Additional works, supplies or services are necessary and we cannot change contractor for technical reasons or without significant inconvenience or cost - provided that these are not more than 50% of the value of the original contract.
  - There are circumstances which as a diligent contracting authority we could not have foreseen. This usually means Act of God situations such as fire or flood. The variation must not alter the overall nature of the contract or be more than 50% of the value of the original contract.
  - It is to novate the contract to a new provider who takes on the obligations of the original contractor.
  - The variation is of low value. This means not more than 10% of the value of the original contract.
- 6 In every case where a variation or direct award is requested, except where the variation is provided for in the original contract, the Executive Director must get the written approval of the Chief Finance Officer and the Executive Director of Resources and Governance in consultation with the First Deputy Finance & Performance and the relevant service Executive Member.
- 7 They can only grant such an approval if it can be demonstrated that this will achieve Best Value for the Council and is in accordance with the Procurement Rules.
- 8 Similar arrangements apply to the Greater Manchester Pension Fund where the Pension Fund Management/Advisory Panel can extend, make direct awards or vary contracts. The Director of Pensions has to write a report with comments from the Executive Director of Resources and Governance.

## F2 What Happens If the Final Costs Is More than the Estimate?

- 1 We allow minor variations on the following scale:

<b>Contract Value</b>		<b>Permitted Variation</b>
<b>Exceeding</b>	<b>Not Exceeding</b>	
£25,000	£60,000	10%
£60,000	£500,000	7.5%
£500,000	£1,000,000	5%
£1,000,000+		2.5%

- 2 If the final cost is likely to be more than a minor variation, the lead officer has to submit a written report to their Director, the Executive Member and the Assistant Executive Director of Finance.

## F3 How Do We Deal with Contract Claims

- 1 An Executive Director can deal with contract claims not covered by the contract, provided they take advice of the Executive Director of Resources and Governance on legal liability and the Chief Finance Officer on financial implications.
2. Where claims are likely to arise due to delay the Executive Director has to notify the Executive Member and the Executive Director of Resources and Governance and the Chief Finance Officer of the remedial action to be taken.

3. It should be noted only the Executive Director of Resources and Governance has authority to settle disputes and litigious actions.

## **APPENDIX 2**

### **The Greater Manchester Combined Authority (GMCA) Social Value Policy and Framework**

#### **1.0 Purpose**

The aim of this Policy is to set out how the Combined Authority (and its members) will deliver social value through their commissioning and procurement activities and to set the Authority's priorities in relation to social value.

#### **2.0 Background and Scope**

The Public Services (Social Value) Act 2012 came into force on 31 January 2013\*. It is now a legal obligation for local authorities and other public bodies to consider the social good that could come from the procurement of services before they embark upon it. The aim of the Act is not to alter the commissioning and procurement processes, but to ensure that, as part of these processes, councils give consideration to the wider impact of the services delivery. It allows authorities, for example, to choose a supplier under a tendering process who not only provides the most economically advantageous service, but one which goes beyond the basic contract terms and secures wider benefits for the community. It could be argued that this type of approach has been adopted as good practice across Greater Manchester Authorities before the Act came into force. However, together the Act and this policy provide an opportunity to deliver a cohesive yet flexible and innovative approach to generating social value through public procurement.

Statutory requirement of the Act only apply to public service contracts above EU thresholds, however in order to incorporate the good practice associated with Social Value into mainstream commissioning and procurement practice, it is the intention of the Combined Authority to embed this policy and associated Great Manchester Social Value Framework within all commissioning and procurement activity wherever proportionate and practicable. This policy statement sets out the Combined Authority's aims in this regard. In particular it seeks to:

- Set out a definition of Social Value for Greater Manchester
- Sets out the policy context for Social Value in Greater Manchester
- Set out the priority policy objectives
- Sets out a Greater Manchester Social Value Framework

#### **3.0 Defining Social Value**

The Act does not define what is meant by 'social value'. Therefore the Combined Authority will adopt the definition of social value as set out by the Sustainable Procurement Taskforce. Social Value is defined as:

A process whereby organisations meet their needs for good, services, works and utilities in a way that achieves value for money on a whole life basis in terms of generating benefits not only to the organisation, but also to society and economy, whilst minimising damage to the environment.

#### **4.0 Policy Context**

The Greater Manchester Strategy 2013-20 – 'Better Together' sets the overarching strategic framework for this policy.

The strategy recognises that despite the recession, Greater Manchester's economy has been shown to be more robust than most of the rest of the UK economy. Greater Manchester generates £48 billion GVA, a 4% share of the national economy. However, given the size of the GM

economy, it is recognised that we should be achieving more. The Strategy outlines that we are currently a 'cost centre' for the UK, requiring £22 billion of public spending but only generating £17 billion in taxes. The aspiration is for Greater Manchester to close and then eliminate that £5 billion deficit to become a net contributor to the national economy.

This Public Service Reform agenda sets out a collaborative and ambitious programme with two linked aims:

- to re-design public services to build the independence and self-reliance of GM's residents; and,
- to collaboratively invest in public service interventions to help all GM partners sustainably reduce demand for their services.

These reforms are expressly designed to encourage families, individuals and communities to lead more productive and fulfilling lives. This Social Value Policy, the Greater Manchester Social Value Framework that supports it and the Social Value activities that it generates will form a key element in the delivery of Public Sector Reform.

### 5.0 Objectives

The objectives of this policy reflect the Combined Authority's definition of Social Value (set out in Section 3.0) and are as follows:

- promote employment and economic sustainability – tackle unemployment and facilitate the development of skills
- raise the living standards of local residents – working towards living wage, maximise employee access to entitlements such as childcare and encourage suppliers to source labour from within Greater Manchester
- promote participation and citizen engagement - encourage resident participation and promote active citizenship
- build the capacity and sustainability of the voluntary and community sector– practical support for local voluntary and community groups
- promote equity and fairness – target effort towards those in the greatest need or facing the greatest disadvantage and tackle deprivation across the borough
- promote environmental sustainability – reduce wastage, limit energy consumption and procure materials from sustainable sources

Theme	Outcomes: What are we trying to achieve?	What could this mean for suppliers? What could they deliver (Examples Only – this is NOT an exhaustive list)
a) Promote Employment & Economic Sustainability	Outcome 1: More local people in work	<ul style="list-style-type: none"> <li>• Create x number of new jobs in the local economy</li> <li>• Create x number of traineeships (including apprenticeships) for local residents</li> <li>• Provide x number of days of meaningful work experience for local residents</li> <li>• Support x number of people back to work by providing career mentoring for job clubs, including mock interviews, CV advice, and careers guidance</li> <li>• Supporting young people into work by delivering employability support (e.g. CV advice, mock interviews, careers guidance) to x number of school and college students</li> <li>• Employ x number of ex-offenders (or other group of people who typically face additional challenges in competing in the labour market)</li> </ul>

Theme	Outcomes: What are we trying to achieve?	What could this mean for suppliers? What could they deliver (Examples Only – this is NOT and exhaustive list)
	Outcome 2: Thriving local businesses	<ul style="list-style-type: none"> <li>• Support x number of new business start-ups by running practical workshops with enterprise clubs</li> <li>• Support the local economy by spending x% of total expenditure in the local supply chain - this could be measured with tools such as LM3</li> <li>• Support the local supply chain by spending x% of total expenditure in a xx-mile radius of / within Greater Manchester</li> </ul>
	Outcome 3: Responsible businesses that do their bit for the local community	<ul style="list-style-type: none"> <li>• Attract £x worth of inward investment into the borough</li> <li>• Secure positive profile for the Greater Manchester through x number of positive stories in the national media</li> <li>• Support the Fairtrade status by ensuring that x% of food products in the supply-chain is Fairtrade</li> <li>• Secure £x-worth of investment in, or in-kind contributions to, fuel poverty initiatives in Greater Manchester</li> </ul>
b) Raise the living standard of local residents	Outcome 4: A Local workforce which is fairly paid and positively supported by employers	<ul style="list-style-type: none"> <li>• Work towards paying staff the Living Wage</li> <li>• Increase rates of pay for lowest-paid staff by x%</li> <li>• Improve the skills levels of existing staff by training x% of the workforce to Level 2/3/4 (for example)</li> <li>• Reduce average sickness absence by x% through an improved health, wellbeing and support package for staff</li> <li>• Identify all staff who are carers and ensure flexible working practices are implemented to support these responsibilities within x weeks of contract start date</li> </ul>
c) Promote Participation and Citizen Engagement	Outcome 5: Individuals and communities enabled and supported to help themselves	<ul style="list-style-type: none"> <li>• x% of service users supported to self-help</li> <li>• Coordinate and run a befriending scheme to reduce social isolation (and thus prevent the consequences of social isolation) for x number of older people</li> </ul>
d) Build capacity and sustainability of the Voluntary and Community Sector	Outcome 6: An effective and resilient third sector	<ul style="list-style-type: none"> <li>• Contribute x number of hours of business planning support / financial advice / legal advice / HR advice to community and voluntary organisations through an Employer-Supported Volunteering scheme</li> <li>• Provide facilities for use by community and voluntary organisations for x number of hours per year</li> <li>• Work with community and voluntary organisations to create x number of new volunteering opportunities in the Greater Manchester</li> <li>• Support local third sector organisations through the supply chain by spending x% of total expenditure with community and voluntary sector providers based in Greater Manchester</li> </ul>
e) Promote Equity and Fairness	Outcome 7: A reduction in poverty, health and education inequalities.	<ul style="list-style-type: none"> <li>• Work towards paying staff the Living Wage</li> <li>• Increase rates of pay for lowest-paid staff by x%</li> <li>• Reduce average sickness absence by x% through an improved health, wellbeing and support package for staff</li> <li>• Identify all staff who are carers and ensure flexible working practices are implemented to support these responsibilities within x weeks of contract start date</li> <li>• Supporting young people into work by delivering employability support (e.g. CV advice, mock interviews, careers guidance) to x number of school and college students</li> </ul>

Theme	Outcomes: What are we trying to achieve?	What could this mean for suppliers? What could they deliver (Examples Only – this is NOT and exhaustive list)
	Outcome 8: Acute problems are avoided and costs are reduced by investing in prevention.	<ul style="list-style-type: none"> <li>• x% overall spend disinvested from acute interventions and reinvested in prevention</li> <li>• Support prevention by running education and publicity campaigns with specific targets (e.g. support x number of staff / residents / service users to stop smoking / increase their physical activity / access money advice)</li> </ul>
f) Promote Environmental Sustainability	Outcome 8: We are protecting our physical environment and contributing to climate change reduction.	<ul style="list-style-type: none"> <li>• Reduce the amount of waste generated by x% compared to previous contract</li> <li>• Reduce the amount of waste sent to landfill by x% compared to previous contract</li> <li>• Reduce carbon emissions by x% per year</li> <li>• Reduce overall energy consumption / water consumption by x% per year</li> <li>• Increase the use of renewable energy / community generated renewable energy as a proportion of total energy consumption by x% over the lifetime of the contract (without increasing overall energy consumption)</li> <li>• Support x number of households to better manage their energy demands through improvements in the fabric of their homes, bringing them out of fuel poverty and contributing to climate change goals</li> </ul>

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