

Enquiries to Committee Services

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Date: 22nd December 2023

Our Ref: MM

Dear Sir/Madam,

A meeting of the **AUDIT & STANDARDS COMMITTEE** will be held in the Council Chamber, Town Hall, Nuneaton, on **Tuesday, 9th January 2024 at 6.00pm**

Please note that meetings will be recorded for future publication on the Council's website.

Yours faithfully,

BRENT DAVIS
Chief Executive

To: All Members of the
Audit & Standards
Committee

Councillors R Baxter-Payne (Chair),
J. Sheppard (Vice-Chair), B. Beetham,
D. Brown, T. Cooper, L. Cvetkovic,
L. Downs, J. Hartshorn, J. Kennaugh,
N. Phillips and R. Tromans.

A G E N D A

PART I - PUBLIC BUSINESS

1. ANNOUNCEMENTS

To advise the meeting participants of the procedure that will be followed by the Members of the committee.

A fire drill is not expected, so if the alarm sounds please evacuate the building quickly and calmly. Please use the stairs and do not use the lifts. Once out of the building, please gather outside Lloyds Bank on the opposite side of the road.

Exit by the door by which you entered the room or by the fire exits which are clearly indicated by the standard green fire exit signs.

If you need any assistance in evacuating the building, please make yourself known to a member of staff.

Please also make sure all your mobile phones are turned off or set to silent.

The meeting will be recorded and available to view via the NBBC website following the meeting.

2. APOLOGIES - To receive apologies for absence from the meeting.

3. MINUTES – To confirm the minutes of the meeting of the Audit and Standards Committee held on 7th November 2023, attached (**Page 5**).

4. DECLARATIONS OF INTEREST

To receive declarations of Disclosable Pecuniary and Other Interests, in accordance with the Members' Code of Conduct.

Declaring interests at meetings

If there is any item of business to be discussed at the meeting in which you have a disclosable pecuniary interest or non-pecuniary interest (Other Interests), you must declare the interest appropriately at the start of the meeting or as soon as you become aware that you have an interest.

Arrangements have been made for interests that are declared regularly by members to be appended to the agenda (**Page 10**) Any interest noted in the Schedule at the back of the agenda papers will be deemed to have been declared and will be minuted as such by the Committee Services Officer. As a general rule, there will, therefore, be no need for those Members to declare those interests as set out in the schedule.

There are, however, TWO EXCEPTIONS to the general rule:

1. When the interest amounts to a Disclosable Pecuniary Interest that is engaged in connection with any item on the agenda and the member feels that the interest is such that they must leave the room. Prior to leaving the room, the member must inform the meeting that they are doing so, to ensure that it is recorded in the minutes.

2. Where a dispensation has been granted to vote and/or speak on an item where there is a Disclosable Pecuniary Interest, but it is not referred to in the Schedule (where for example, the dispensation was granted by the Monitoring Officer immediately prior to the meeting). The existence and nature of the

dispensation needs to be recorded in the minutes and will, therefore, have to be disclosed at an appropriate time to the meeting.

Note: Following the adoption of the new Code of Conduct, Members are reminded that they should declare the existence and nature of their personal interests at the commencement of the relevant item (or as soon as the interest becomes apparent). If that interest is a Disclosable Pecuniary or a Deemed Disclosable Pecuniary Interest, the Member must withdraw from the room.

Where a Member has a Disclosable Pecuniary Interest but has received a dispensation from Audit & Standards Committee, that Member may vote and/or speak on the matter (as the case may be) and must disclose the existence of the dispensation and any restrictions placed on it at the time the interest is declared.

Where a Member has a Deemed Disclosable Interest as defined in the Code of Conduct, the Member may address the meeting as a member of the public as set out in the Code.

Note: Council Procedure Rules require Members with Disclosable Pecuniary Interests to withdraw from the meeting unless a dispensation allows them to remain to vote and/or speak on the business giving rise to the interest.

Where a Member has a Deemed Disclosable Interest, the Council's Code of Conduct permits public speaking on the item, after which the Member is required by Council Procedure Rules to withdraw from the meeting.

5. PUBLIC CONSULTATION - Members of the Public will be given the opportunity to speak on specific agenda items, if notice has been received.

Members of the public will be given three minutes to speak on a particular item and this is strictly timed. The chair will inform all public speakers that: their comments must be limited to addressing issues raised in the agenda item under consideration: and that any departure from the item will not be tolerated.

The chair may interrupt the speaker if they start discussing other matters which are not related to the item, or the speaker uses threatening or inappropriate language towards Councillors or officers and if after a warning issued by the chair, the speaker persists, they will be asked to stop speaking by the chair. The chair will advise the speaker that, having ignored the warning, the speaker's opportunity to speak to the current or other items on the agenda may not be allowed. In this eventuality, the chair has discretion to exclude the speaker from speaking further on the item under consideration or other items of the agenda.

6. FORMAL COMPLAINTS AND FREEDOM OF INFORMATION REQUESTS 1ST APRIL 2023 TO 31ST OCTOBER 2023 – a report of the Strategic Director for Economy and Transformation, attached **(Page 13)**.
7. SCHEDULED REVIEWS OF THE PERFORMANCE MANAGEMENT FRAMEWORK AND THE RISK MANAGEMENT POLICY AND STRATEGY – a report of the Audit and Governance Manager, and Governance, Risk Management and Performance Officer, attached **(Page 22)**.
8. PUBLICITY PROTOCOL – CHANGE TO THE CONSTITUTION – a report of the Chief Executive, attached **(Page 49)**.

9. CONTRACT PROCEDURE RULES – UPDATE – a report of the Assistant Director – Governance & Democracy, attached (**Page 56**).
10. ANNUAL GOVERNANCE STATEMENT 2022/23 – a report of the Assistant Director – Governance & Democracy (**Page 91**).
11. ANY OTHER ITEMS - which in the opinion of the Chair should be discussed as a matter of urgency because of special circumstances (which must be specified).

NUNEATON AND BEDWORTH BOROUGH COUNCIL

AUDIT & STANDARDS COMMITTEE

7th November 2023

A meeting of the Audit & Standards Committee was held on Tuesday, 7th November 2023 in the Council Chamber, Town Hall, Nuneaton. The meeting was recorded for publication on the Council website.

Present

Councillor R Baxter Payne – Chair

Councillors: D. Brown, T. Cooper, L. Cvetkovic, J. Hartshorn, J. Kennaugh, J. Sheppard (Vice-Chair) and R. Tromans.

Apologies: Councillors L. Downs and N. Phillips.

PART I – PUBLIC BUSINESS

ASC13 **Minutes**

RESOLVED that the minutes of the Audit and Standards Committee meeting held on 5th September 2023 be approved and signed by the Chair.

ASC14 **Declarations of Interest**

Councillor J. Kennaugh declared that he is now employed by Yu Energy.

RESOLVED that the declarations of interest are as set out in the Schedule attached to these minutes, with the addition of the new declaration from Councillor J. Kennaugh.

ASC15 **Follow-Up Review Briefing Report**

A report of the Head of Audit and Governance to inform the Committee of the findings of the follow-up reviews completed on those audits where a ‘Limited Assurance’ opinion was given at the initial review stage, as reported in the Internal Audit Annual Report 2022/23.

Public Speaker: Councillor K. Kondakor.

RESOLVED that the results of the follow-up reviews and the updated assurance levels be noted.

ASC16 **Review of the Register of Members’ Interests and Gifts and Hospitality Registers 2022-2023**

The Monitoring Officer provided a report giving Members the opportunity to review the registration of Members’ Interests and, Gifts and Hospitality by Members and Officers for the period 14th October 2022 – 23rd October 2023.

Public Speaker: Councillor K. Kondakor.

RESOLVED that

- a) the contents of the register of Members’ Interests between 14th October 2022 and 23rd October 2023 be considered and noted; and

- b) the contents of the registers of Gifts and Hospitality for Members and Officers between 14th October 2022 and 23rd October 2023, as set out in Appendix A, be considered and noted.

ASC17 **Exclusion of the Public and Press**

Public Speaker: Councillor K. Kondakor.

RESOLVED that under section 100A(4) of the Local Government Act 1972, the public and press be excluded from the meeting during consideration of the following item, it being likely that there would be disclosure of exempt information of the description specified in paragraph (i) and (ii) of Part I and II of Schedule 12A to the Act.

ASC18 **Revised Governance Arrangements**

The Strategic Director – Finance and Governance presented a report proposing a change to the delivery of the Internal Audit Service.

Public Speaker: Councillor K. Kondakor.

RESOLVED that

- a) the report and proposal to join the Central Midlands Audit Partnership (CMAP) on 1st April 2024 be noted;
- b) it be noted that the Chair of the Committee is to sit on the Partnership Board and the S151 Officer is to sit on the Operational Board to represent the Council if the proposal is approved by Cabinet; and
- c) the opportunity to implement and present quarterly audit plans to Committee in place of an annual plan be noted.

Chair _____

Audit and Standards Committee - Schedule of Declarations of Interests – 2023/2024

	Name of Councillor	Disclosable Pecuniary Interest	Other Personal Interest	Dispensation
	General dispensations granted to all members under s.33 of the Localism Act 2011			Granted to all members of the Council in the areas of: <ul style="list-style-type: none"> - Housing matters - Statutory sick pay under Part XI of the Social Security Contributions and Benefits Act 1992 - An allowance, payment given to members - An indemnity given to members - Any ceremonial honour given to members - Setting council tax or a precept under the Local Government Finance Act 1992 - Planning and Licensing matters - Allotments - Local Enterprise Partnership
	R. Baxter-Payne (Chair)	Employed by Vinci Construction Major Projects UK Ltd (VCMP UK Ltd); County Councillor - WCC	Spouse: Self-employed childminder Member of the following Outside Bodies: <ul style="list-style-type: none"> • West Midlands Combined Audit, Risk and Assurance Committee • Warwickshire Adult Social Care and Health Overview and Scrutiny Committee (substitute) 	
	B. Beetham	Senior PowerBi Lead at Wye Valley Hospital Trust; Warwickshire County Council – Camp Hill	Member of the following Outside Bodies: <ul style="list-style-type: none"> • Camp Hill Urban Village: Pride in Camp Hill Board • Committee of Management of Hartshill and Nuneaton Recreation Ground 	
	D. Brown	Employed by H.M Land Registry	Regional Coordinator, Ragdoll Rescue Charity. Representative on the following Outside Bodies: <ul style="list-style-type: none"> • Exhall Education Foundation (Council appointment). 	
	T. Cooper	None	Member on the following Outside Bodies: <ul style="list-style-type: none"> • Camp Hill Urban 	

	Name of Councillor	Disclosable Pecuniary Interest	Other Personal Interest	Dispensation
			<p>Village: Pride in Camp Hill Board</p> <ul style="list-style-type: none"> Committee of Management of Hartshill and Nuneaton Recreation Ground 	
	L. Cvetkovic	Head of Geography (Teacher), Sidney Stringer Academy, Coventry	<p>The Bulkington Volunteers (Founder); Bulkington Sports and Social Club (Trustee)</p> <p>Member on the following Outside Bodies:</p> <ul style="list-style-type: none"> Building Control Partnership Steering Group 	
	L. Downs	River Bars Limited; Coventry Plus Beyond the Plane Little Caesars Donuts Limited NBBC Council Contract for market pitch	<p>Member on the following Outside Body:</p> <ul style="list-style-type: none"> Hammersley, Smith and Orton Charity 	
	J. Hartshorn	Employed by Asda Nuneaton	Member of Nuneaton Conservatives	
	J. Kennaugh	County Councillor W.C.C. Employed by Yu Energy.	<p>Member of the W.C.C. Regulatory Committee Member of the Conservative Party Member of UNITE the Union</p> <p>Member on the following Outside Bodies:</p> <ul style="list-style-type: none"> EQulP 	
	N. Phillips	Employee of DWP	<p>Member of:</p> <ul style="list-style-type: none"> Nuneaton Labour CLP The Fabian Society The George Eliot Society The PCS Union Central Credit Union Stockingford Sports and Allotment Club Haunchwood Sports and Social Club 	
	J. Sheppard (Vice-Chair)		<p>Partnership member of the Hill Top and Caldwell Big Local. Director of Wembrook Community Centre. Member of Labour Party.</p>	Dispensation to speak and vote on any matters of Borough Plan that relate to the Directorship of Wembrook Community Centre
	R. Tromans	Compliance, GIM, Coventry Warwickshire County Councillor	<p>Member of the Conservative Party</p> <p>Member of the Chartered Institute of Credit Management</p>	

	Name of Councillor	Disclosable Pecuniary Interest	Other Personal Interest	Dispensation
		(Weddington) Share in a rental property in Hydes Pastures, Nuneaton		

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	B. Beetham	Senior PowerBi Lead at Wye Valley Hospital Trust; Warwickshire County Council – Camp Hill	Member of the following Outside Bodies: <ul style="list-style-type: none"> • Camp Hill Urban Village: Pride in Camp Hill Board • Committee of Management of Hartshill and Nuneaton Recreation Ground 	
	D. Brown	Employed by H.M Land Registry	Regional Coordinator, Ragdoll Rescue Charity. Representative on the following Outside Bodies: <ul style="list-style-type: none"> • Exhall Education Foundation (Council appointment). 	
	T. Cooper	None	Member on the following Outside Bodies: <ul style="list-style-type: none"> • Camp Hill Urban 	

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			Village: Pride in Camp Hill Board <ul style="list-style-type: none"> • Committee of Management of Hartshill and Nuneaton Recreation Ground 	
	L. Cvetkovic	Head of Geography (Teacher), Sidney Stringer Academy, Coventry	The Bulkington Volunteers (Founder); Bulkington Sports and Social Club (Trustee) Member on the following Outside Bodies: <ul style="list-style-type: none"> • Building Control Partnership Steering Group 	
	L. Downs	River Bars Limited; Coventry Plus Beyond the Plane Little Caesars Donuts Limited NBBC Council Contract for market pitch	Member on the following Outside Body: <ul style="list-style-type: none"> • Hammersley, Smith and Orton Charity 	
	J. Hartshorn	Employed by Asda Nuneaton	Member of Nuneaton Conservatives	
	J. Kennaugh	County Councillor W.C.C. Employed by Yu Energy.	Member of the W.C.C. Regulatory Committee Member of the Conservative Party Member of UNITE the Union Member on the following Outside Bodies: <ul style="list-style-type: none"> • EQulP 	
	N. Phillips	Employee of DWP	Member of: <ul style="list-style-type: none"> • Nuneaton Labour CLP • The Fabian Society • The George Eliot Society • The PCS Union • Central Credit Union • Stockingford Sports and Allotment Club • Haunchwood Sports and Social Club 	
	J. Sheppard (Vice-Chair)		Partnership member of the Hill Top and Caldwell Big Local. Director of Wembrook Community Centre. Member of Labour Party.	Dispensation to speak and vote on any matters of Borough Plan that relate to the Directorship of Wembrook Community Centre
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		(Weddington) Share in a rental property in Hydes Pastures, Nuneaton		

Briefing Note: All Members
From: Tom Shardlow – Strategic Director for Economy and Transformation
Subject: Formal Complaints and Freedom of Information Requests 1st April 2023 to 31st October 2023
Date: 9th January 2024

1 Executive Summary

- 1.1 The report below outlines the significant performance improvements that have been made against target Service Level Agreements (SLA) within the last 12 months for both Formal Complaints and Freedom of Information Act (FOIA) requests.
- 1.2 When comparing year on year performance, the average time for a Formal Complaint to be closed, has fallen from 14 days to 8 days and now sits at 6 working days. The average time for FOIA/EIR request to be closed has fallen from 22 days to 12 days.
- 1.3 The report highlights the changes that have been made to processes to better serve NBBC customers. This has resulted in a reduction in the number of LGO/HO fault found cases, although the number of referrals has increased because of better transparency and clearer understanding by residents of their rights, it is worth noting that despite the increase in referrals that number of cases that have been fault found has decreased year on year.
- 1.4 The overall standard of customer service and the improvements that we have made in our approach and processes have been officially audited, recognised, and accredited. Following this rigorous process, we now hold the Customer Service Excellence accreditation. This is the first time that NBBC have held such an accreditation and only a very small handful of other councils in the country have reached this level.

Background

- 1.5 The 2022/23 work programme for Internal Overview and Scrutiny requested a briefing note be sent to all Members in respect of Formal Complaints, Freedom of Information Requests and Environmental Information Requests recorded for the period 1st April 2023 to date to 31st October 2023.
- 1.6 Table 1 details the number of Formal Complaints recorded by each Service Area from 1st April 2023 to 31st October 2023. It details the performance against the SLA of 10 working days.
- 1.7 Table 2 details the number of Freedom of Information and Environmental Information requests (FOIA/EIR) recorded by each service area from 1st April 2023 to 31st October 2023. It details the performance against the SLA of 20 working days.

2 Formal Complaints performance Vs SLA (10 working days)

- 2.1 839 complaints were recorded for the reporting period 1st April 2023 to 31st October 2023 (average of 119 per month Vs 86 for 2022/23). The average complaint has taken 6 working days to complete, this compares favourably to 8 working days for 2022/23 and to our 10-working day SLA. Over the last 3 years we have seen our performance continually improve (starting at 14 working days in 2021, to 8 working day in 2022 and now to 6 working days in 2023).
- 2.2 Following the review of the report at last year's OSP, members asked for greater clarity for service areas that have broad areas of control. For example, in previous years Housing has been reported as 1 total service area, this has now been broken down into its different subgroups.

- 2.3 To further improve the complaints process, a final check procedure has been introduced. We have seen a large increase in the number of LGO/HO referrals driven primarily by better understanding of this stage. To date this year, we have had 24 referrals to the LGO. Of these, 14 cases were not investigated, 1 case was withdrawn by the resident, 3 cases were closed due to no fault found, we have 2 open cases and 4 cases which we were found at fault (2 Waste Management and 2 Planning), this compares to 4 fault found last year.
- 2.4 We have again updated and aligned our vexatious customer process so that it follows the guidelines set out by the ICO, the revised process has been engaged several times successfully during 2023 to stop a series a vexatious complaints and allegations from several different residents.
- 2.5 Table 1 illustrates the performance by service area for Formal Complaints, showing the total number of complaints received and then their relative performance against the SLA.

**Table 1 Formal
Complaints 1st April
2023 to 31st October
2023**

		FORMAL COMPLAINTS			
		Stage 1 10 Working Day SLA			
Service Area	Sub Category	Received	Completed inside SLA	Completed outside SLA	% completed out of SLA
Community Safety	Community Safety	10	8	2	20%
Consumer Affairs	Food and Health	0	0	0	0%
Consumer Affairs	Licensing	1	0	1	100%
Total Consumer Affairs		1	0	1	100%
Council Property	Council Property	4	2	2	50%
Crematoria & Cemeteries	Crematoria & Cemeteries	11	8	3	27%
Customer Services	Customer Services	7	7	0	0%
Democracy	Democratic Services	3	2	1	33%
Democracy	Elections	1	1	0	0%
Total Democracy		4	3	1	25%
Directors	Directors	1	1	0	0%
Economic Development	Economic development	0	0	0	0%
Economic Development	Town Centres and Markets	11	6	5	45%
Total Economic Development		11	6	5	45%
Environmental Protection	Environmental protection	8	7	1	13%
Environmental Protection	Pest and Animal Control	1	1	0	0%
Total Environmental Protection		9	8	1	11%
Finance	Accounts	1	0	1	100%
Finance	Benefits	2	2	0	0%
Finance	Revenues	30	23	7	23%

Total Finance		33	25	8	24%
Health & Safety	Health & Safety	0	0	0	0%
Housing	HEART	5	4	1	20%
Housing	Landlord Services	32	30	2	6%
Housing	Private Sector Housing	12	10	2	17%
Housing	Property Services	95	83	12	13%
Housing	Strategic Housing Services	17	17	0	0%
Total Housing		161	144	17	11%
Human Resources	Human Resources	18	17	1	6%
Information Management	Information Management	0	0	0	0%
IT&C	IT&C	0	0	0	0%
Legal	Legal	2	1	1	50%
Leisure & Culture	Leisure, Sports and Arts	2	2	0	0%
Leisure & Culture	Parks and Greenspace	160	127	33	21%
Total Leisure and Culture		162	129	33	20%
Management	Management	2	2	0	0%
Planning & Building Control	Planning & Building Control	24	21	3	13%
Risk Management	Risk Management	1	1	0	0%
Transport & Infrastructure	Car Parks and Infrastructure	32	31	1	3%
Transport & Infrastructure	Transport Fleet	0	0	0	0%
Total Transport & Infrastructure		32	31	1	3%
Waste Management	All Other Waste Services	264	251	13	5%
Waste Management	Recycling Services	82	77	5	6%
Total Waste Management		346	328	18	5%
Total Council		839	742	97	12%

3. FOIA Performance Vs SLA (20 working days)

- 3.1 396 FOIA/EIR requests have been recorded for the reporting period 1st April 2023 to 1st October 2023. An average of 56 per month.
- 3.2 The SLA is a statutory 20 working days. On average it now takes 14 working days to complete a FOIA request. This compares favourably with the 22 days for 2021/22.
- 3.3 Included within the revised FOIA process is the option to request an internal review, a recipient can ask for this option where they feel there are grounds for an appeal prior to a referral to the ICO. We have had 6 requests this year and none of the requests have then been escalated to the ICO. This is a positive indicator.
- 3.4 Where complex and time-consuming FOIA requests have been submitted, the authority has engaged section 12 (FOIA 2000). This allows a public authority to refuse to deal with a request where it estimates that doing so would exceed the appropriate limit of 18-man hours.
- 3.5 Where a FOIA request will exceed the 18 hours appropriate limit, we have asked for a payment to be made to cover the additional cost in line with ICO guidelines , in all cases the recipient has declined to pay and either deleted or amended their request accordingly.
- 3.6 The authority has issued a refusal notice under section 14 (FOIA 2000) where an individual has sought to submit similar, repeated or overlapping requests. Once the refusal notice was issued the requests stopped.
- 3.7 With the introduction of the new web site then we will introduce a dedicated Publication Scheme which will ensure we are compliant with ICO guidelines, provide greater transparency for residents and save officer time where information is asked for on a regular basis.

3.8 Table 2 illustrates the performance by service area for FOIA/EIR requests.

Service Area	Sub Area	No. Received	No. completed in 20 working days	No. completed outside 20 working days
Community Safety	Community Safety	5	4	1
Consumer Affairs	Food and Health	3	2	1
Consumer Affairs	Licensing	11	7	4
Total Consumer Affairs		14	9	5
Council Property	Council Property	8	2	6
Crematoria and Cemeteries	Crematoria and Cemeteries	2	1	1
Customer Services	Customer Services	3	3	0
Democracy	Democratic Services	13	7	6
Democracy	Elections	3	1	2
Total Democracy		16	8	8
Directors	Directors	4	3	1
Economic Development	Economic development	8	6	2
Economic Development	Town Centres and Markets	5	5	0
Total Economic Development		13	11	2
Environmental Protection	Environmental protection	28	21	7
Environmental Protection	Pest and Animal Control	5	4	0
Total Environmental Protection		33	25	7
Finance	Accounts	12	8	4
Finance	Audit	0	0	0
Finance	Benefits	5	1	4
Finance	Revenues	40	25	15
Total Finance		57	34	23
Health and Safety	Health and Safety	1	1	0

Housing	HEART	2	1	1
Housing	Landlord Services	10	9	1
Housing	Private Sector Housing	9	5	4
Housing	Property Services	7	6	1
Housing	Strategic Housing Services	25	24	1
Total Housing		53	45	8
Human Resources	HR	25	24	1
Information Management	Information Management	1	1	0
IT and C	IT and C	18	17	1
Legal	Legal	2	1	1
Leisure and Culture	Parks and Greenspace	16	11	5
Leisure and Culture	Leisure, Sports and Arts	11	11	0
Total Leisure and Culture		27	22	5
Management	Management	11	7	4
Planning and Building Control	Planning and Building Control	25	25	0
Procurement	Procurement	13	12	1
Risk Management	Risk Management	4	4	0
Transport and Infrastructure	Car Parks and Infrastructure	16	12	4
Transport and Infrastructure	Transport Fleet	1	1	0
Total Transport and Infrastructure		17	13	4
Waste Management	Waste Management	12	11	1
Waste Management	Recycling	3	1	2
Miscellaneous/ Rejected	Miscellaneous/ Rejected	29	29	0
Total Council		396	313	82

NUNEATON AND BEDWORTH BOROUGH COUNCIL

Report to: Audit and Standards Committee, 9th January 2024

From: Audit and Governance Manager and Governance, Risk Management and Performance Officer

Subject: Scheduled Reviews of the Performance Management Framework and the Risk Management Policy and Strategy

1. Purpose of Report

To provide the Audit and Standards Committee with the reviewed Performance Management Framework and Risk Management Policy and Strategy documents for approval.

2. Recommendation

That the revised Performance Management Framework and Risk Management Policy and Strategy documents are approved.

3. Review Process

The Performance Management Framework and Risk Management Policy and Strategy are subject to review every two years unless significant changes are identified in the interim period. Approval of reviews / significant changes are required by this committee.

4. Performance Management Framework

The revised document is attached at Appendix A. The key changes relate to:

- Building a Better Borough (BaBB) replacing Delivering Our Future (DOF) (as the Corporate Plan)
- Deletion of references to the TEN Performance Software which has been discontinued as it is not suitable for the Council's internet ("cloud" based) environment
- Deletion of the Strategic Performance Report quarterly reporting to Cabinet (now references reporting to scrutiny panels along with the Strategic Risk Register)
- New organisational structure

5. Risk Management Policy and Strategy

The revised document is attached at Appendix B. The only changes relate to the new organisational structure and relevant portfolio holders and scrutiny panels being included on the Strategic Risk Register.

6. Track Changes

For convenience, the committee is advised that “track changes” are shown from the previous versions on Appendices A and B.

LINDA DOWNES
STEVE GORE

Nuneaton and Bedworth Borough Council

Performance Management Framework

October 2023
~~October 2021~~

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- 3. Managing Performance**
- 4. Data Quality**
- 5. Risk Management**

Appendices

- A. Determining Our Priorities – Systematic Approach**
- B. Performance Management Cycle – Overview**
- C. Performance Management Cycle – Performance Indicators**
- D. Action Plan from ~~2021-2023~~ Performance Management framework Review**

1. Introduction

- 1.1 The purpose of this performance management framework is to improve performance management arrangements across the Council and service delivery for the communities of Nuneaton and Bedworth.
- 1.2 Good performance management is essential to achieve the Council's aims and objectives, based on a clear vision with realistic targets to support the achievement of these goals.
- 1.3 This vision needs to be clearly communicated to all Elected Members and employees in order that individuals have a good understanding of their work priorities and can see how these contribute to broader corporate targets and priorities.
- 1.4 Performance Management requires clarity about who is responsible for delivering particular objectives. The Council needs to ensure that these individuals have the required resources and support and are empowered to do the necessary work to achieve goals. The resulting outcomes need to be clearly communicated to residents to gauge how well the Council is performing on their behalf.
- 1.5 Key elements of performance include: a clear organisational vision, values, customer-focused objectives, target setting process (where appropriate), benchmarking, regular assessment and review and performance-related annual (employee) development review.
- 1.6 Benefits of an effective Performance Management Framework include:
 - Improved service delivery and outcomes for customers.
 - Demonstrating success or failure.
 - Effective use of resources.
 - Identifying potential improvements / cost savings.
 - Improved audit / inspection results.
 - Linking financial / non-financial data to provide a balanced picture of the organisation.
 - Informing the debate on future priorities.
 - More effective partnership working.

2. Themes and Priorities

2.1 Determining Our ~~Themes-Aims~~ and Priorities

The Council aims to have the top priorities established in the Building a Better Borough (BaBB) 2022-34 Delivering Our Future (DOF) 2019-31 (formerly the Corporate Plan) translated into priorities at individual level using the systematic approach detailed at Appendix A.

2.2 The Council's long-term ~~themes-aims~~ and priorities have been drawn from a variety of sources including:

- National data
- Strategic Assessment for community safety
- General indices of multiple deprivation
- Borough Plan
- Economic, housing and social data

2.3 Service Priorities

Each Strategic Director applies the ~~themes-aims~~ and priorities from the BaBB 2022-34 DOF 2019-31 to set out their part in their delivery. They are supplemented by service-specific priorities based on service demand, performance and response to changes in service/ operational environment. This is the mechanism through which the Council's long-term vision and aims will be progressed and achieved through annual targets and milestones. This is measured by ~~DOF~~ BaBB Delivery Plans (3-year plans which are monitored on a quarterly basis and reviewed annually - these show clear links to service activities).

2.4 Individual Priorities

Completing the performance management cycle is the Council's Annual Development Review scheme that reinforces the organisation's values as well as the importance of performance and achievement. Documentation formalises the review discussion. The review process is consistently applied to focus on outcomes and all employees have an action plan which identifies performance measures, targets and service improvements against which they will be appraised. The Council recognises that individuals (Members and employees) may need training and support to achieve their full potential. The training plan included as part of the review process is geared towards meeting Council objectives by improving individual skills and knowledge.

2.5 Corporate Employee Values

The Council's employee values support the effective delivery of performance outcomes. They are:

- **SERVICE FOR OUR CUSTOMERS** – We put our customers first in everything we do
- **INTEGRITY IN OUR ACTIONS** – We are open, honest and fair, communicate accurately and keep our promises. We act within the law and the Council's Constitution and policies
- **ACCOUNTABILITY FOR OUR PERFORMANCE** – We accept personal responsibility, not seeking to blame others and apologise if we get things wrong
- **CO-OPERATION WITH COUNCILLORS, COLLEAGUES AND PARTNERS** – We share ideas, knowledge and resources, we are friendly towards, listen to and respect each other, and work in teams to deliver excellence
- **OBJECTIVITY IN OUR DECISIONS** – We base our decisions on evidence, welcome challenge and take account of alternative opinions and the wider picture
- **EFFICIENCY TO KEEP OVERALL COSTS DOWN** – We constantly improve our value for money, learning from good practice, eliminating waste, and making the most of our assets
- **CONFIDENCE TO TRY THINGS OUT** – We give our people encouragement, authority and support to be creative and flexible in how they deliver services, learning from things that go wrong when we experiment

3. Managing Performance (see Appendices B and C)

3.1 Targets / Measures

Once priorities are identified, targets for performance indicators are set or measures established (no target) which are monitored and reported according to importance. Targets are set by reference to current performance, organisational aims / capacity and benchmarking data. Meeting the priorities set at various levels involves the achievement of a target / milestone, completion of a task or measurable improvements in performance.

As services go through system ~~lean~~-reviews, traditional targets ~~will~~may be replaced by a measure of improvement. This will show as: green (improved), amber (stayed the same) or red (declined) for reporting purposes. A rolling mean for end to end times will be used to measure improvements.

3.2 Measurement / Reporting

Monitoring progress in relation to performance takes place at a number of levels:

- Strategic Performance Reporting to Management Team on a monthly basis and [Overview and Scrutiny Panels \(quarterly basis\)](#). Cabinet at a quarterly frequency. This is an overview of the Council's position relating to: Finance, People and Service Delivery, Processes and Improvement.
- ~~We have developed a corporate database using the 'TEN' performance management system which provides links for all Performance Indicators / Measures to a Director, Portfolio Holder, Service and individual responsible. Each indicator / measure is assigned a collection frequency – monthly, quarterly, annually etc. Any appropriate comments or remedial actions relating to under-performance are recorded against the relevant month/quarter when entering data. Officers / Elected Members access the TEN system via the intranet (DASH) facility which is updated in real time. Members of the public can access the TEN system on the Council's website (this information is updated on a monthly basis). A review of indicators / measures included on TEN is carried out on an annual basis.~~
- An integrated performance management report linking finance, performance and risk data is produced quarterly for Overview and Scrutiny Panel(s) with progress updates on service improvement plans reported at half year. The format links finance / performance data on the key service areas based on expenditure / income. Details on performance of smaller service areas within the remit of the panel are reported by exception (ie. if there is adverse performance).
Further development is on-going to establish any available comparative (benchmarking) data on good practice / performance to enhance the scrutiny process (see also Appendix D action plan).
- Service objectives and targets are set out within service areas. These include performance indicators / measures and are used to plan and monitor the work within service areas to meet the requirements of the [DOF-BaBB](#) Delivery Plan.
- Reporting by exception is the general rule applied to advising Management Team / Cabinet of under-performance in key areas (see also 3.3).

3.3 Under- performance and Remedial Action

~~Senior m~~Managers are responsible for monitoring performance and taking appropriate action to address issues affecting results in their service area. Management Team may seek information and assurances from an Assistant Director a Senior Manager at any time. However, there may be instances where an indicator is below target or a measure declines in performance for two consecutive periods (month or quarter) and management corrective actions taken have not improved the situation. In such cases, the relevant Strategic Director will review and, if necessary, take to the Management Team. Where a Strategic Director escalates a performance issue, Management Team will:

- Review issues contributing to the under-performance of the indicator / measure.
- Address the failure of remedial action(s).
- Reallocate resources, if necessary.
- Propose alternative solutions, if appropriate.
- Instigate monitoring of the effectiveness of any further corrective actions taken.
- Record details / outcome(s) in Management Team meeting minutes.

Scrutiny Panel Reporting

Integrated Performance Reports to Overview and Scrutiny Panel(s) include appropriate comments on under-performance for Elected Members in order to explain issues and / or corrective action(s) instigated. However, the panel may still request that the appropriate Portfolio Holder and / or manager attend the panel meeting to provide further clarification / information.

3.4 Improvement

The need to improve is fundamental to the Council's approach to managing performance. This will be achieved by:

- sharing and comparing information with other authorities, partners and agencies with a view to establishing better ways of delivering services;
- liaising with other performance managers / sharing resources and ideas to become more effective, as appropriate.

- —Regular review (every two years, unless significant changes occur in the interim period) of this Performance Management Framework

4. **Data Quality**

We recognise that reliable data quality is key to all aspects of the provision of services. It is important to ensure that accurate information is available to enable informed decision making and to assure the integrity of published data. Clear audit trails must be in place. We are therefore committed to provide data quality of a consistently high standard within available resources.

4.1 Data should be:

- **Accurate** – sufficiently accurate for its intended purpose.
- **Valid** – collected in compliance with agreed requirements / definitions.
- **Reliable** – reflecting consistent collection processes and time periods.
- **Relevant** – to the purposes for which it is used.
- **Complete** – incomplete or invalid records can indicate poor data quality and / or problems with recording processes.

An annual internal audit sample review is carried out to test data quality.

4.2 Responsibilities

Management Team – overall strategic responsibility for promoting and co-ordinating data quality management.

Assistant Directors / Managers – operational responsibility for ensuring data quality in their service area including provision of training and regular sampling of information processed. Responsible for ensuring that definitions are in place for all indicators/ measures (~~as recorded on the TEN system~~) and officers responsible for collating data comply with the definition.

Employees – data quality is the responsibility of every employee entering, extracting or analysing information from any of the Council's information systems. All employees share a responsibility for ensuring that information they produce, receive, act upon or process is accurate. This should be emphasised in training provided, along with how lapses can have an adverse effect on the integrity of the data provided and, consequently, the Council's reputation.

5. **Risk Management**

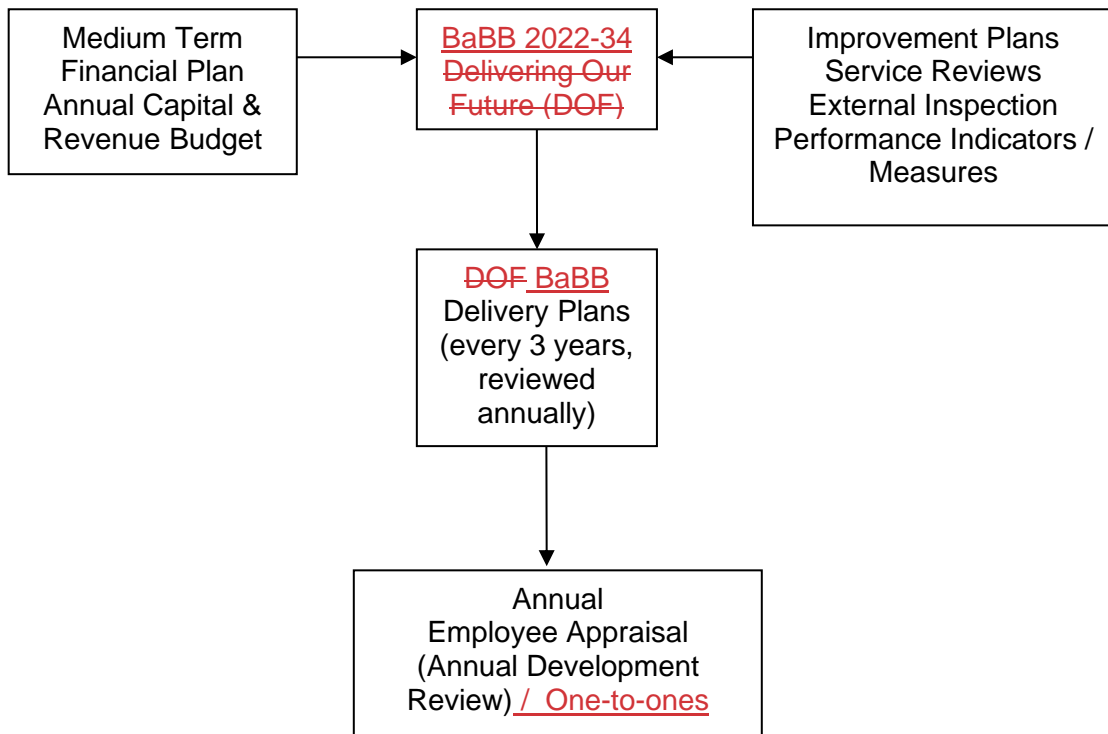
In line with the Council's obligations to ensure that strategic and operational risks are fully assessed and managed, risk management is also an important element of the Performance Management Framework. A review of both corporate and operational risks is incorporated into the performance management cycle. All managers will assess and take account of the key risks to be managed in delivering their objectives and targets. Overview and Scrutiny Panel(s) will receive a current summary status of the Strategic Risk Register with [the latest version of risks within the remit of each panel.](#) ~~a link to the full version of the document.~~

6. **Action Plan**

An action plan relating to areas identified from the latest review of this framework is shown at Appendix D.

Appendix A

Determining Our Priorities – Systematic Approach



Performance Management Cycle – Overview

January	Quarterly review of Strategic Risk Register Quarterly assessment of <u>Building a Better Borough (BaBB) Delivering Our Future (DOF) Delivery Plan</u>
January-December	Annual Development Review process Operational Risk Registers reviewed by Corporate Governance Group
March	Review of indicators and measures on the TEN Performance Management System
April	Quarterly review of Strategic Risk Register Quarterly assessment of <u>DOF BaBB Delivery Plan</u>
July	Quarterly review of Strategic Risk Register Quarterly assessment of <u>DOF BaBB Delivery Plan</u>
October	Quarterly review of Strategic Risk Register Quarterly assessment of <u>DOF BaBB Delivery Plan</u>
October - February	Budgets - establish allocation of resources for the forthcoming year against identified priorities in the <u>DOF BaBB</u>
December - March	Annual review of <u>DOF BaBB Delivery Plan</u>

Performance Management Cycle – Performance Indicators /Measures

January	Monthly Strategic Performance Report to Management Team (Including quarterly assessment of DOF-BaBB Delivery Plan)
	Quarterly Integrated Finance/Performance/Risk Report (third quarter) to Overview and Scrutiny Panel(s) <u>including Strategic Performance Report and Strategic Risk Register</u>
February	Monthly Strategic Performance Report to Management Team
	Quarterly Strategic Performance Report to Cabinet
March	Monthly Strategic Performance Report to Management Team
April	Monthly Strategic Performance Report to Management Team (Including quarterly assessment of DOF-BaBB Delivery Plan)
May	Monthly Strategic Performance Report to Management Team
	Quarterly Integrated Finance/Performance/Risk Report (end of year) to Overview and Scrutiny Panel(s) - late May / early June <u>including Strategic Performance Report and Strategic Risk Register</u>
	Quarterly Strategic Performance Report to Cabinet
June	Monthly Strategic Performance Report to Management Team
July	Monthly Strategic Performance Report to Management Team (Including quarterly assessment of DOF-BaBB Delivery Plan)
	Quarterly Integrated Finance/Performance/Risk Report (first quarter) to Overview and Scrutiny Panel(s) <u>including Strategic Performance Report and Strategic Risk Register</u>
August	Monthly Strategic Performance Report to Management Team
	Quarterly Strategic Performance Report to Cabinet
September	Monthly Strategic Performance Report to Management Team
October	Monthly Strategic Performance Report to Management Team (Including quarterly assessment of DOF-BaBB Delivery Plan)
	Quarterly Integrated Finance/Performance/Risk Report (second quarter) to Overview and Scrutiny Panel(s) <u>including Strategic Performance Report and Strategic Risk Register</u>
November	Monthly Strategic Performance Report to Management Team
	Quarterly Strategic Performance Report to Cabinet
December	Monthly Strategic Performance Report to Management Team

Areas for Improvement – Action Plan from 2023 Performance Management Framework Review

REF.	ACTION	OFFICER(S) RESPONSIBLE	WHEN
1	Establish any comparative (benchmarking) data on good practice / performance to enhance scrutiny panel reporting	Governance, Risk Management and Performance Officer <u>/ Assistant Directors</u>	On-going
2.	Annual review of indicators included on the TEN performance management system	Governance, Risk Management and Performance Officer	Annually in March
3.	Carry out audit to test data quality	Governance, Risk Management and Performance Officer	Annually in January



Risk Management Policy and Strategy

~~November 2022~~ OCTOBER 2023

Risk Management Policy and Strategy

Document Control

Organisation	Nuneaton and Bedworth Borough Council
Title	Risk Management Policy and Strategy
Filename	DOC16/75813
Owner	Governance, Risk Management and Performance Officer
Subject	Risk Management Policy and Strategy
Next Review Date	October 2023 <u>October 2025</u>

Revision History

Revision Date	Reviser	Previous Version	Description of Revision
07/04/2017	Steve Gore	V4.0	Risk descriptors update.
27/08/2019	Steve Gore	V5.0	New organisational structure.
October 2021	Steve Gore	V6.0	Scheduled review.
November 2022	Steve Gore	V7.0	Organisational structure / clarification of reporting lines.
<u>October 2023</u>	<u>Steve Gore</u>	<u>V8</u>	<u>Scheduled Review</u>

Document Approvals

This document requires the following approvals

Name	Date
Audit and Standards Committee	<u>10/1/23</u> / <u>11/23</u>

Risk Management Policy

1. Nuneaton and Bedworth Borough Council (NBBC) recognises that it has a responsibility to manage risks, both internal and external. It is therefore committed to maintaining robust risk management and business continuity arrangements that make a positive contribution towards the achievement of the Council's corporate aims and priorities and maximise the opportunities to achieve its vision.
2. It is good business practice that risk management processes should be:
 - Supportive rather than unduly restrictive.
 - Embedded in the Council's culture and in its decision-making, planning and management functions; and
 - Embraced by all Members and employees.
3. The Council's aims with respect to risk management are as follows: -
 - To embed risk management into the culture of the Council
 - To adopt an effective and transparent corporate approach to risk management, which also applies to the Council's work with external partners and contractors
 - To work with partners and stakeholders to identify and exploit opportunities that will contribute to corporate aims and priorities
 - To integrate risk management into the operational and management practices of the Council
 - To promote risk awareness throughout the Council and among our contractors and key partners
 - To be responsive to changing social, environmental and legislative requirements, whilst effectively managing the related risks and opportunities.
 - To undertake an annual review of the effectiveness of the risk management arrangements to support the Council's Annual Governance Statement
4. These aims will be achieved through the Council's Risk Management Strategy, which details the roles, responsibilities and actions necessary for successful implementation.

Risk Management Strategy

1. Introduction

- 1.1 This strategy sets out the processes to ensure that risks to the Council's services, objectives, employees, assets, contractors and partnerships are identified, recorded, assessed, prioritised and then mitigated, transferred or eliminated, to achieve an acceptable level of exposure.
- 1.2 The Risk Management Framework states how the Council manages risks and maximises opportunities in achieving its aims and priorities and this strategy forms part of that process.

2. Definitions

2.1 Corporate Governance

Corporate governance is the framework of accountability to users, stakeholders, and the wider community, within which organisations take decisions and lead and control their functions to achieve their objectives. The effectiveness of corporate governance arrangements has a significant impact on how well an organisation meets its aims. Its purpose is to ensure that the right thing is done, in the right way, by the right people, in an open, honest, and timely manner.

2.2 Risk and Risk Appetite

“Risk” can be defined as “The possibility that an event will occur and adversely affect achievement of objectives”.

Therefore, “risk management” is the process by which risks are identified, analysed, controlled, and monitored. Resources for managing risk are finite, therefore risks are prioritised in accordance with an evaluation system. The level of risk tolerated is the “risk appetite”.

2.3 Partnership

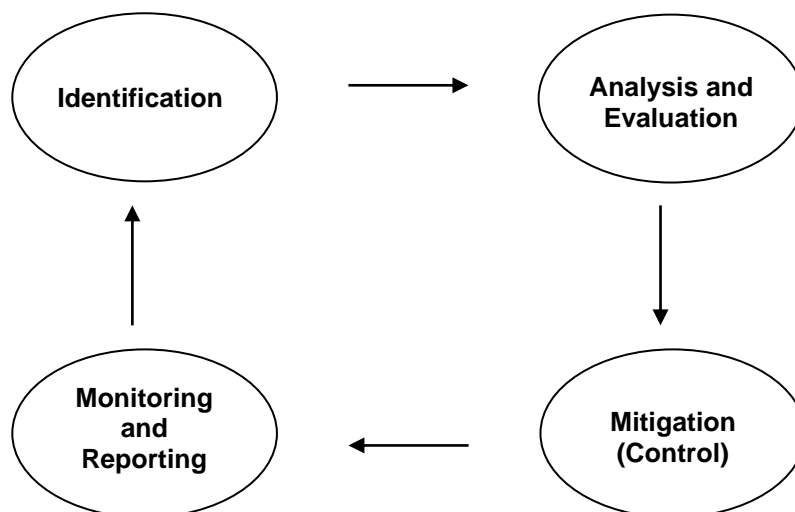
A partnership is an agreement between the Council and one or more independent legal bodies, organisations, or individuals to work collectively to achieve a common purpose with specified aims and objectives. More detailed guidance on managing partnerships and the associated risks is available in the Council’s Partnership Framework document.

3. Risk Management Process

Risk management involves the following four processes: -

- Identification of risk
- Analysis and evaluation
- Mitigation
- Monitoring and reporting

Risk Management Policy and Strategy



3.1 Step 1 - Identification of Risk

A systematic approach needs to be applied if all significant risks are to be identified and managed effectively. By identifying areas of risk before an event or loss occurs, steps can be taken to reduce the likelihood of occurrences and/or to minimise the cost to the Council if they do happen. Reacting to events only after they have occurred can be very costly.

Risks can be identified in a number of ways, for example: -

- Through discussions with colleagues, stakeholders, Members, contractors, partners, insurance brokers, insurers, risk advisers and external auditors
- Looking at trends, accident reports, complaints, new agendas, legislation and regulations

The table below lists some categories of risk which may have an impact on aims and priorities: -

Risk Category	Examples of issues to consider
Political	Local and national political issues. Stability of the political situation.
Economic	State of the local economy. Interest rates, inflation and related key assumptions. Labour market effects on recruitment and retention.
Social and Employee-Related	Demographic profile of the workforce and population. The consequent effect on demand for services and/or stakeholder expectations.
Technological and Information-Related	Capacity to respond to technological changes or opportunities arising from technological developments. Current use of or reliance on technology. Quality and security of information. Accessibility of key documents. Resilience and IT/Communications recovery capacity.

Risk Management Policy and Strategy

Risk Category	Examples of issues to consider
Legislative /Regulatory	Preparedness for new legislation and regulations, e.g health and safety, planning or employment law.
Environmental	Use, acquisition &/or disposal of land &/or premises. Waste, disposal and recycling arrangements.
Competitive	Competitiveness of service delivery in terms of cost and quality. Ability to deliver value for money.
Customer/ Citizen	Extent, nature and effectiveness of consultation and involvement with the community. Ability to meet current and future needs. Service delivery feedback. Reputation.
Professional	Organisational and individual competency levels and capacity to deliver objectives. Staff recruitment and retention. Skill and knowledge levels. Opportunities for networking and continuing professional development.
Financial	Level of reserves. Adequacy of funding. Financial planning and control. Fraud.
Legal	Possible legal challenges and claims.
Partnership/ Contractual	Key strategic partners. Procurement arrangements. Contractual arrangements. Partners' governance arrangements.
Physical	Security and protection of assets. Maintenance practices. Protection, security, health, safety and wellbeing of the workforce and population.

There are two key elements to each risk description – **cause and consequence**. To effectively manage risks, both of these elements need to be identified. An example is as follows: -

NBBC's failure to maintain a sound budgetary and financial control environment (**cause**), resulting in the Council having insufficient financial resources to achieve the key priorities (**consequence**).

When identified, significant risks should be recorded in a risk register. NBBC have both strategic and operational risk registers (including some which are specific to individual projects or partnerships). The Strategic Register addresses cross-cutting corporate risks. Operational registers address risks that could impact upon service delivery.

The Strategic Risk Register records the following information for each risk: -

- A risk reference number
- The risk description (in terms of cause and consequence)
- A gross risk score (the score before effective mitigation controls are in place)
- The mitigation controls (identifying whether 'existing' / 'ongoing' or 'planned')
- The mitigation owner(s). These could be different for each control
- The net risk status – red, amber or green (after effective mitigation controls are in place)
- Sources of assurance i.e., how the risk is monitored / relevant documents; and
- The risk owner [/portfolio holder / relevant overview and scrutiny panel](#)

Risk Management Policy and Strategy

3.2 Step 2 - Analysis of Risk

Having identified the risks, they need to be analysed. This process requires managers to assess: -

- The probability (likelihood) of a risk occurring; and
- The severity (impact) of the consequences should it do so.

The matrix below indicates risk levels

Likelihood	4	4	8	12	16
	3	3	6	9	12
	2	2	4	6	8
	1	1	2	3	4
		1	2	3	4
		Impact			

Key

	Green (acceptable)
	Amber (tolerable)
	Red (unacceptable)

The Council's likelihood and impact descriptors are as follows: -

Likelihood

- 4: **Very High** – occurrence is most likely or has already happened and will do so again if control measures are not introduced
- 3: **High** – occurrence is anticipated within the next 12 months
- 2: **Significant** – occurrence is probable in the next 3 years
- 1: **Low** – foreseeable but not probable in the next 3 years

Risk Management Policy and Strategy

	Level of Impact	Service Delivery	Financial / Legal	Reputation / Community
4	Major	<ul style="list-style-type: none"> • A service delivery failure causes significant hardship to people for a period of 3 to 4 weeks or more or 1 week for anyone that is vulnerable, or failure to meet a nationally mandated deadline • Loss of major stakeholder/partner. • Adverse outcome of a serious regulatory enquiry 	<ul style="list-style-type: none"> • Financial loss over £400,000. • Serious risk of legal challenge 	<ul style="list-style-type: none"> • Sustained adverse TV/radio coverage • Borough wide loss of public confidence • Major damage to local environment, health and economy • Multiple loss of life
3	Serious	<ul style="list-style-type: none"> • A service delivery failure causes significant hardship for a period of 2 to 3 weeks or 3 to 7 calendar days for vulnerable people • Formal regulatory inquiry • Loss of a key partner or other partners 	<ul style="list-style-type: none"> • Financial loss between £200K and £399K • High risk of successful legal challenge 	<ul style="list-style-type: none"> • Significant adverse coverage in national press or equivalent low national TV coverage • Serious damage to local environment, health and economy • Extensive or multiple injuries &/or a fatality
2	Moderate	<ul style="list-style-type: none"> • A service delivery failure causes significant hardship for 1 to 2 weeks or 1 -2 calendar days for vulnerable people • Loss of a significant non-key partner • Legal concerns raised • Loss of employees has moderate effect on service provision 	<ul style="list-style-type: none"> • Financial loss between £50K and £199K • Informal regulatory enquiry 	<ul style="list-style-type: none"> • Significant adverse coverage in local press or regional TV • Large number of customer complaints. • Moderate damage to local environment, health and economy • Moderate injuries to an individual
1	Low	<ul style="list-style-type: none"> • Disruption to services for up to 1 week • Minor legal implications • Loss of employees not significantly affecting service provision 	<ul style="list-style-type: none"> • Financial loss up to £49K 	<ul style="list-style-type: none"> • Minor adverse media coverage. • Minor environmental, health and economy damage • Minor increase in number of customer complaints • One or more minor injuries to an individual

3.3 Step 3 - Control of Risks

Having identified and prioritised the risks, each one needs to be assessed to determine the appropriate action required for it to be mitigated. There are four options: -

Terminate	Stop the activity or remove the physical cause
Transfer	As far as possible, pass the risk on to another party, e.g. contractually or by insuring it
Treat	Set up control (mitigation) measures &/or improve existing ones. Examples: <ul style="list-style-type: none"> • Use of password, barrier, temperature or other controls. • Installation or upgrade of alarms. • Implement new or revised procedures, requirements &/or management arrangements
Tolerate	Do nothing, live with the risk as it stands

The mitigation owner also needs to be identified, this being the individual specified as responsible for putting the stated control(s) into action &/or ensuring it remains in operation. Ownership of a control measure should rest with a single individual, even if more than one person is needed to carry it out.

The level of risk remaining after the internal control measure is in place is the residual or net risk. This should be at a level which is within NBBC’s risk appetite. That is (except for any risk identified as “Outside the Council’s control because of external factors”), the level of residual risk is acceptable to the authority.

3.4 Step 4 - Monitoring and Review of Risks

As key management tools, Risk Registers must be used effectively to ensure that:

- They comprehensively address all recognised significant risks
- Mitigation measures/controls are adequate to minimise the likelihood and/or impact of each risk
- Any significant risks identified and remedial actions are sufficiently monitored

To establish whether they are being adequately managed, the following criteria will be used:

Red – Less than 60% of the identified risks are being satisfactorily managed

Amber – 60%-80% of the identified risks are being satisfactorily managed

Green – Over 80% of the identified risks are being satisfactorily managed

Percentages relate to the proportion of the identified risks that are net green.

4. Roles and Responsibilities

Management Team

- To ensure the Council adopts an effective risk management strategy and that risks are fully considered in all strategic decision making processes
- Responsible for health and safety in relation to Council activities, for establishing a positive health and safety culture and for actively encouraging ownership and accountability at all levels
- To ensure that effective business continuity plans are maintained and are regularly tested
- To regularly monitor the Strategic Risk Register

Audit and Standards Committee

- To monitor the effective development and operation of risk management and corporate governance across the Council
- To seek and obtain assurance that appropriate action has been taken on risk related issues identified by internal and/or external audit
- To ensure that the Council's assurance statements, including the Annual Governance Statement, properly reflect the risk environment and any actions required to improve it
- To review the Strategic Risk Register alongside the draft annual internal audit plan and recommend changes to address any highlighted concerns
- To consider and approve the Risk Management Policy and Strategy following bi-annual review if significant changes are identified or if significant changes are necessary in the interim period between scheduled reviews

Members

- To oversee the effective management of risk by the Council's officers, particularly when considering reports and proposals from officers

Senior Information Risk Owner (SIRO) and Deputy SIRO

- To oversee the development of an Information Risk Policy, and a Strategy for implementing the policy within the existing Information Governance Framework
- To take ownership of the risk assessment process for information risk, including review of the annual information risk assessment to support and inform the Annual Governance Statement
- To review and agree an action plan in respect of identified information risks
- To ensure that the Council's approach to information risk is effective in terms of resource, commitment and execution and that this is communicated to all staff
- To provide a focal point for the resolution and/or discussion of information risk issues
- To ensure the Corporate Information Governance Group (CIGG) is adequately briefed on information risk issues
- To advise the Chief Executive and the CIGG on information risk management strategies and provide periodic reports and briefings on programme progress

Strategic / Assistant Directors

- To adopt the Risk Management Policy and Strategy
- To ensure that all significant risks are identified and are effectively controlled through the process of risk assessment and mitigation within their respective services (maintain effective directorate Operational Risk Register)
- To establish a positive health and safety culture within their service units and actively encourage ownership and accountability at all levels
- To develop and maintain a current business continuity plan (including updated contact information), ensuring appropriate officers understand their respective roles in relation to it

The Corporate Governance Group (CGG)

- To monitor current and planned expenditure and income and to highlight any emerging issues that could have an impact on the Council's finances
- To develop and co-ordinate excellent governance arrangements across the Council, including those relating to risk management
- To fulfil the role of the Corporate Information Governance Group (CIGG) on behalf of the Council providing strategic advice and assurance to the Authority on all matters concerning information management and governance
- To report to Management Team any issues that require its attention.
- To review directorate Operational Risk Registers on an annual basis (one register every two months)

The Information Management Group (IMG)

- To monitor and appraise the information and data needs of the Council and ensure that the Council delivers quality customer interaction and delivers services efficiently
- To facilitate information audits within each functional area and review them on a regular basis
- To aid the Information Asset Owners, (IAO) in carrying out their duties
- To monitor and appraise the outstanding FOI/DP cases. To identify any outstanding actions, liaise and co-ordinate with the relevant service areas to ensure that the requests are completed within the relevant timescales. If necessary, escalating the requests to the CIGG
- To promote and raise awareness of retention and disposal policies and procedures for all documents and records
- To ensure that information and data is treated as a corporate asset, shared by all. Develop any relevant policies and procedures to be presented to CIGG for approval, ensuring that NBBC is complying with relevant legislation
- To promote Information Management as a key corporate activity, essential to the provision of excellent customer interaction and efficiently delivered, high quality services

Risk Management Policy and Strategy

Head of Audit and Governance

- To support the Council and its services in the effective development, implementation, monitoring and review of the Council's risk management policy, strategy and process
- To promote risk management and the process of business risk assessment throughout the Council and in relation to the Council's partnerships.
- To develop and implement Audit Plans using a risk-based approach.
- To support and promote risk management guidance and training for employees, contractors and members and to encourage the sharing of good practice
- To report to the Audit and Standards Committee on risk management activities and any issues arising
- To ensure that strategic, operational and partnership risks are suitably reflected within risk registers and that appropriate mitigating controls are in place and are adequately monitored and controlled
- To review the Risk Management Policy & Strategy at least bi-annually and to update it as required
- To report to the Corporate Governance Group on risk management activities and any issues arising

The Governance, Risk Management and Performance Officer

- To provide risk management information & advice, both proactively & reactively in relation to strategic, operational and partnership risks
- To work with the owners of operational risks as required to identify and manage those risks and to maximise opportunities
- Liaising with Chief Executive / Strategic Directors / officers, to review and update all risks in the Strategic Risk Register on a quarterly basis
- To provide quarterly Strategic Risk Register reports to Management Team / Cabinet / Scrutiny panels, identifying what proportion of the risks are being satisfactorily managed (Clause 3.4 of this document refers)
- To review and propose changes as required to the Risk Management Policy & Strategy, to risk registers and to other corporate risk management related documents

Health & Safety Managers

- To promote an effective, healthy and safe organisational culture by developing, implementing and monitoring health & safety policies and procedures

Employees (including agency and casual)

- To maintain an awareness of risks in their own areas of work and contribute to the control process as appropriate
- To recognise their legal responsibility for the health, safety and welfare of themselves and others who may be affected by their work activities

NUNEATON AND BEDWORTH BOROUGH COUNCIL

Report to: Audit and Standards Committee – 9 January 2024

From: Chief Executive

Subject: Publicity Protocol – change to the constitution

1. Purpose of the report

1.1 To consider and approve the recommendations from the officers to publicity protocol and recommend changes to the Constitution.

2. Recommendations

- 2.1 That the recommendations as set out in the report and appendix be approved; and;
- 2.2 IT BE RECOMMENDED TO COUNCIL that the Constitution be amended accordingly.

3. Background

- 3.1 The Audit and Standards Committee has previously asked for regular review of the Publicity Protocol that is set out in the Council's Constitution. The protocol has not been updated since 2021 and so it is felt timely to bring this in front of the Committee for consideration.
- 3.2 The Publicity Protocol sets out the rules that the Council must follow in producing publicity. In effect, the protocol replicates and produces a local version of the "Code of Recommended Practice on Local Government Publicity (the Code)" produced by the Local Government Association and the requirements set out in the Local Government Act 1986.
- 3.3 There are a number of small changes suggested to the protocol, which are marked as tracked changes in the attached Appendix. Some of the changes reflect the fact that, although this protocol has particular significance during the pre-election period, this protocol and Code are in effect year-round. There are however specific sections relating to the pre-election period.
- 3.4 Finally, a small number of suggested changes relate to specific regulations which are not all in force, or duplication of previous sections.

MARTYN HARRIS

a) 5G PUBLICITY PROTOCOL GUIDANCE

**In the Period Leading up to an Election/By-Election/Referendum/
Petitions**

5G.1 The Law

Publicity material produced by the Council is governed by the provisions of the Local Government Act 1986, and the revised Code of Recommended Practice on Local Government Publicity, which came into effect in April 2011. The Act defines publicity as “any communication in whatever form, addressed to the public at large or a section of the public”.

The Publicity Code provides guidance on the content, style, distribution and cost of Local Authority publicity. Local Authorities are required by S4(1) of the Act to have regard to the contents of this Code in coming to any decision on publicity.

5G.2 Principles

Publicity by local authorities should:

- a) be lawful;
- b) be cost effective;
- c) be objective;
- d) be even-handed;
- e) be appropriate;
- f) have regard to equality and diversity; and
- g) be issued with care during periods of heightened sensitivity.

5G.3 What is ‘Purdah’/the Pre-election period/Purdah?

~~The Pre-election period~~Election period (often known as “purdah”)~~The Pre-election Period (often known as Purdah)~~ runs from the date of publication of the Notice of Election through to and including the date of Election, until the close of poll. There are extra restrictions placed on the nature of publicity local councils may issue under the Publicity Code during this time, and all serving Members and Council Officers must be fully aware of the statutory requirements relating to publicity at this time.

5G.4 The Code ('the Code')

The general principle set out in the Code is that a Local Authority must not at any time publish any material that in whole or in part appears to be designed to affect support for a Political Party.

Publicity not only includes press releases issued to print, broadcast and social media, but also;

- a) most printed materials, which are sent to a wide audience
- b) newsletters
- c) information added to websites and/or social media during the period
- d) posters and leaflets
- e) badges, t-shirts and other 'giveaways'
- f) advertising
- g) exhibitions
- h) conferences
- i) consultation.

5G.5 Elections, Referendums and Petitions

~~The relevant sections in the Code state:~~

- ~~a) Section 125 of the Political Parties, Elections and Referendums Act 2000 places a specific restriction on the publication by a Local Authority of material relating to a referendum under Part 7 of that Act, during the period of 28 days immediately before the Referendum is held.~~
- ~~b) Reg 5 of the Local Authorities (Conduct of Referendums) (England) Regs 2007 (S.I. 2007/2089) prohibits local authorities from publishing material in the 28 days immediately before a Referendum which expresses support for, or opposition to a particular answer to a Referendum question relating to the constitutional arrangements of the Authority.~~
- ~~c) Reg 15 of the Local Authorities (Referendums, Petitions, Directions) (England) Regulations 2000 (S.I. 2000/2852) prohibits local authorities from incurring expenditure to publish material which appears designed to influence people in deciding whether or not to sign a petition relating to the constitutional arrangements of the Authority, or to assist others to publish such material.~~
- d)a) The Code ~~goes on to~~ outlines some key principles which local authorities should adhere to during the period of heightened sensitivity before elections and referendums.

- i. It may be necessary to suspend the hosting of material produced by third parties, or to close public forums during this period to avoid breaching any legal restrictions;
- ii. During the period between the Notice of Election and the Election itself, the Council should not publish any publicity on controversial issues, or report views or proposals in such a way that identifies them with any individual Members or Groups of Members;
- iii. Publicity relating to individuals involved directly in the Election should not be published by local authorities during this period unless expressly authorised by or under statute;
- iv. It is permissible for local authorities to publish factual information which identifies the names, Wards and parties of candidates at Elections.
- v. In general, the local authorities should not issue any publicity which seeks to influence voters. However, this general principle is subject to any statutory provision which authorises expenditure being incurred on the publication of material designed to influence the public as to whether to support, or oppose a question put at a Referendum.
- vi. It is acceptable to publish material relating to the subject matter of a Referendum, for example, to correct any factual inaccuracies which have appeared in publicity produced by third parties, so long as this is even-handed and objective and does not support or oppose any of the options which are the subject to the vote.

5G.6 PUBLICITY PROTOCOL

- a) This Protocol takes effect from the ~~announcement date through to the day after the Polling Day~~ publication of the Notice of Election
- b) After the publication of the Notice of Election, restrictions on proactive publicity will apply in line with the Code and will remain until ~~0001-22:01 on the day after the~~ 0001-22:01 on the Polling Day.

5G.7 ADVICE FOR OFFICERS

- a) **Maintain Business as Usual** - but remember to exercise extra caution when planning any publicity or events that may usually involve Members or elected officials.
- b) **Supporting Political Parties** - Council staff must always be careful not to give the impression of supporting a Political Party, set of policies or a candidate.

- c) **Publicity** - Officers involved in publicising Council services need to take extra care not to influence the outcome of the Election in any way. Care needs to be taken to ensure that publicity could not be perceived as seeking to influence public opinion or to promote the public image of a particular candidate or group of candidates.
- d) **Activities where Political Candidates are Present** - Staff should exercise caution if involved in activities at which political candidates or agents are present: for example, appearing in photographs with candidates should be avoided.
- e) **Staff must not engage in political activity during working hours or by using Council facilities.** Some staff hold “politically restricted posts” which limit the political activity they can be involved in outside work.
- f) **This Protocol applies to Publicity about all Members’ who are “involved directly in the election”** whether as candidates or in some other capacity. Publicity relating to individuals involved directly in the election will not be published during this period unless expressly authorised.
- g) **Controversial Matters/Views on Policies** - Publicity should not be issued which deals with controversial matters or which reports views on policies, in a way that identifies them with individual Members or groups of Members.
- h) **If an Issue is a Matter that is Politically Sensitive** - the Communications Team will recommend that this should be held until after the Election protocol period, unless the activity is particularly time-sensitive.
- i) **Events Attracting Public/Media Interests** - Do not invite Members who are standing for Election to events or invite them to be involved in any publicity/scheduled events, attracting significant public and media interest at which Members may be present, where it could be construed that the event was being used for political purposes.
- j) **Press Releases** - issued to the media cannot include any quotations from Members’ involved in the Election, if quotes are necessary they can be attributed to an officer. It is common practice to avoid quoting any Members unless in an emergency/crisis situation when the relevant Portfolio Holder or Leader will be quoted ~~(unless they are up for Election).~~ To be on the safe side, avoid references to, and quotes from, all other Members.
- k) **Re-Election** - The Communications Team must avoid mentioning any Member who is seeking re-election. ~~If this cannot be avoided the advice is to balance this with reference to Members from opposing Parties.~~
- l) **If a Council Event cannot be Postponed until after the Election** - it is vital it is organised in such a way to minimise the likelihood of criticism arising that the real purpose of the event is to publicise one particular Party. For example, if a candidate or representative from one Party is to attend, then representatives of other Parties should also be invited, and all should be asked not to use the event for political purposes.

- m) **It is Permissible to Publicise Factual Information** - identifying names, Wards and Parties of candidates at Elections.

5G.8 ADVICE FOR MEMBERS

- a) **This Guidance applies to Publicity about all Members** -- whether they are involved directly in the Election ~~whether as candidates or in some other capacity or not~~
- b) **The Word “Publicity” has the Widest possible Meaning** - and the restrictions apply to events organised by the Council that attract significant numbers of the public, or media interest. Members who are standing as candidates, or acting as agents, should not be involved in such events at all. Other Members who are involved in the Election should not use such events to publicise themselves, their parties, or the policies or candidates they support.
- c) **Members can attend Events** - organised by the Authority or other organisations but they won't be quoted or featured in any Council publicity.
- d) **With the Exception of the Mayor/Deputy Mayor** - when acting in a Civic capacity, Members must not take part in any Council arranged events that will have publicity attached to them, eg. photo calls/launches during ~~purdah~~the Pre-election period/Purdah.- This is because many initiatives will have involved Elected Members at some point in their development and they are likely to want to be quoted or help to publicise such projects: doing so during the pre-Election period could be construed as using your launch to obtain a political advantage. If the launch needs to proceed for operational reasons and cannot be brought forward or delayed until after, then Members who are directly involved in the Election should not be involved in any activity. Other Members should not use such events to publicise themselves, their parties, or the policies or candidates they support
- e) **It may be Necessary to Suspend** - the hosting of material produced by third parties or to close public forums during this period to avoid breaching any legal restrictions.
- f) **Speaking with the Press** - Members can talk to the press and media during this period and generate their own publicity. The restrictions only apply to official Council-organised publicity, including press releases or events. The rules in the Member and Officer Protocols about use of Council facilities must be observed. Members should also be aware that ~~purdah~~Pre-election/Purdah guidelines do not apply to the media so they are under no obligation to adapt their coverage or avoid asking for comment from candidates, agents or others directly involved in the Election.
- g) **If you Want to Visit a Council Service during the Purdah-Pre-election Period/Purdah** requests will be judged on a case by case basis, looking at the potential disruption that may be caused by any visit and any security or confidentiality concerns that may exist. If it is feasible for a candidate to

visit the Service, they should be asked not to use the event for political purposes. For example, it would be appropriate to ask visitors to ensure that no photographs are taken of Council Officers or Service users, that no quotes are sought from staff and that nobody is encouraged to do anything which could be construed as 'political' or in support of a particular candidate's campaign.

- h) **No Political Posters or Leaflets** - must be displayed on Council premises (including street furniture and the like) or vehicles.

5G.9 REACTIVE PUBLICITY

- a) Under the Code it is acceptable for Members holding key political or civic positions to comment in an emergency or in response to a major news event outside the Council's control. In such an instance it would be acceptable for a relevant Member to be quoted reacting to this event, unless they were personally up for election in which case another Senior Member would be quoted.
- b) Members involved in the Election may not be quoted in a proactive news release issue.
- c) It is better to avoid proactively scheduling PR events and photo opportunities during this period if possible.

5G.10 PRESS RELEASES/MEDIA ENQUIRIES

- a) The Communications Team will be responsible for agreeing and issuing ALL press releases – no matter how seemingly insignificant, with the relevant Director before they are issued including press releases requested by individuals or other organisations, eg. schools and Members.
- b) All media enquiries must be referred to the Communications Team who will respond to the enquiries in line with the Council's Media Protocol, taking special care to avoid controversial issues or promoting individual Members.
- c) The normal practice of commissioning photographs of Members at major events and activities where they would be expected to play a lead role for PR/media purposes must also be avoided during this period. Where possible it should be arranged outside the Election protocol period. Where this is not possible, advice should be sought from the Senior Communications & Events Officer/or equivalent or the Monitoring Officer.
- d) Staff and Members must contact the Chief Executive for more information about what Council premises are permitted for use by candidates during the ~~purdah~~Pre-election period/Purdah.

NUNEATON AND BEDWORTH BOROUGH COUNCIL

Report to: Audit and Standards Committee – 9th January 2024

From: Assistant Director – Governance & Democracy

Subject: Contract Procedure Rules – Update

1. Purpose of Report

1.1. The purpose of this report is to note the proposed changes to the Contract Procedure Rules considering the senior management restructure and changes in procurement law, then to recommend to Full Council for formal approval in order to change and update the Constitution.

2. Recommendations

- 2.1. To note the proposed changes to the Contract Procedure Rules; and
- 2.2. IT BE RECOMMENDED TO COUNCIL that the Constitution be amended accordingly.

3. Background

3.1. Under section 135 of the Local Government Act 1972, a local authority may make standing orders (or as defined by this Council, Contract Procedure Rules) with respect to the making of contracts by them or on their behalf for the supply of goods or materials or for the execution of works. The current Contract Procedure Rules (CPR's) have been in place since May 2020 via delegated authority (28th May 2020) due to the COVID-19 pandemic which cancelled meetings within the initial response phase to the pandemic.

4. Body of the report

- 4.1. The Council has undertaken a senior management restructure this financial year which has resulted in a need to review the CPR's to ensure they align with the new structure noting key changes in personnel. Other changes include removing reference to EU and other updates to provide further clarification and/or reflection of best practice.
- 4.2. Appendix A include the revised CPR's with tracked changes for review and approval.
- 4.3. The current CPR's are contained within the Constitution at Part 4 – Rules of Procedure, 4G Contract Procedure Rules.

4.4. Central government issued a consultation in December 2020 to obtain feedback on proposals to implement a new UK Public Procurement legal framework. Due to this, no changes have been made to the Contract Procedure Rules as they've been fit for purpose since May 2020 until now. However, since the UK officially left the EU and noting the Council's senior management restructure, small changes are required to ensure the procedure is up to date.

5. Future Considerations

5.1. Further to 4.4, it should be noted that the Procurement Act 2023 received Royal Assent on 26 October 2023 and is expected to come into force in Autumn 2024 (with a six months' notice period ahead of the go live date). Following the UK's exit from the EU, the UK Government deposited its Instrument of Accession to join the World Trade Organisation's (WTO) Agreement on Government Procurement (GPA) becoming an independent member when the transition period ended on 31 December 2020. This guarantees access to £1.3 trillion in overseas public procurement markets providing major export opportunities for British businesses. Due to the UK's commitment to the GPA and following the UK's departure from the EU, the UK can create its own legislative framework working in accordance with the principles of the GPA:

- a) Fairness
- b) Impartiality
- c) Transparency
- d) Non-discrimination

5.2. The Procurement Act intends to comprehensively streamline and simplify the complex framework of regulations that currently govern public procurement by creating a new legislative framework for UK public procurement.

5.3. Once secondary legalisation is in place, the Council will finalise its Contract Procedure Rules and will report back to the Committee later in the year to implement a revised set of Contract Procedure Rules which will align with the new legalisation. For the avoidance of doubt, this report seeks to amend the current Contract Procedure Rules slightly by updating in line with the current Council structure but also due to the departure from the EU.

6. Appendices

Appendix A – Contract Procedure Rules (Tracked Changes)

7. Background Papers (if none, state none)

None.

MATTHEW WALLBANK

Nuneaton & Bedworth



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PROCEDURE RULE 1: Introduction

The purpose of these Procedure Rules is to:-

- Ensure that the Council promotes the probity and integrity of the procurement process;
- Provide employees involved in the procurement process a framework within which to work;
- Ensure fairness in allocating contracts and protect employees from allegations of corruption and/or collusion from suppliers and contractors;
- Promote public accountability;
- Ensure compliance with all legal requirements;
- Achieve value for money on behalf of the Council; and
- Support the Council's corporate aims and objectives in relation to procurement.

- 1.2 Procedure Rules must be complied with strictly. They are minimum requirements and any instances of non-compliance may result in disciplinary action being taken. A more thorough procedure may be appropriate for a particular contract such as where [The Public Contracts Regulations 2015](#) or the Concession Contract Regulations 2016 apply . Please contact the Procurement Team or see the Procurement Toolkit on HPRM/Dash for guidance.
- 1.3 Any consultant, agent or contractor acting on behalf of the Council must comply with these Contract Procedure Rules and this must be a condition of their employment.
- 1.4 Contracts let on behalf of a consortium, association or similar body of which the Council is a member should comply with the rules of the body or lead authority.
- 1.5 The amounts £A to £D in these Procedure Rules have the initial values given to them as follows:-
 £A = £7,500
 £B = £25,000
 £C = £125,000
 £D = £3,500,000
- 1.6 All monetary values included in these Procedure Rules relate to the total value of the contract or framework agreement including extension options and shall be deemed to exclude any Value Added Tax applicable.
- 1.7 The Strategic Director – Finance & Governance is designated as the responsible officer in accordance with [Section 151 of the Local Government Act 1972](#) (for the proper administration of the Council's financial affairs) and the designated officer in accordance with [Section 114 of the Local Government Finance](#)

[Act 1988](#) (incurring of unlawful expenditure) and is referred to in these Procedure Rules as the Chief Financial Officer.

- 1.8 The Chief Financial Officer shall review all monetary limits annually and any amendments, if appropriate having regard to inflation and other relevant factors, shall be reported to the Management Team then the Audit and Standards Committee for consideration with a recommendation to Council for approval and adoption.
- 1.9 Questions of interpretation of these Contract Procedure Rules should be referred to the Assistant Director – Governance & Democracy, the Head of Audit and Governance, the Monitoring Officer, the Procurement Supervisor, the Procurement Team and the Chief Financial Officer.
- 1.10 References to the Chief Financial Officer shall include other employees authorised to undertake duties on behalf of the Chief Financial Officer, generally the Deputy Chief Financial Officer (Assistant Director - Finance).

PROCEDURE RULE 2: Scope

- 2.1 These Contract Procedure Rules relate to any arrangement made by, or on behalf of, the Council for the carrying out of work or for the procurement of goods, works or services. These include arrangements for:-
 - The supply or disposal of goods;
 - Hire, rental or lease of goods or equipment;
 - Execution of works;
 - The delivery of services including those relating to the recruitment of temporary staff, land and property transactions and financial and consultancy services; and
 - Service Concessions and Work Concessions ([The Concession Contracts Regulations 2016](#))
- 2.2 These Procedure Rules do not apply to:-
 - The employment of permanent staff ;
 - Agreements regarding the acquisition, disposal or transfer of land, for which Financial Regulations shall apply;
 - Insurance policies;
 - Treasury Management transactions;
 - Engagement of Legal Counsel;
 - Grants from the Council (except where they are to buy services);
 - Public to Public cooperation and 'In House' contracts subject to fulfilling the test criteria in [Regulation 12](#) of the Regulations;

- Engaging entertainment acts and performers where the value is lower than the [threshold](#).

2.3 The use of e-procurement technology and Purchasing Cards does not negate the requirement to comply with all elements of these Contract Procedure Rules.

PROCEDURE RULE 3: Exemptions

3.1 Contract Procedure Rules are intended to protect the Council, and only under circumstances which are exceptional and unavoidable, shall authority be given to waive them. All exemptions must be requested using the Exemption Request Form in HPCM/Dash. Exemptions granted shall be recorded on the Contract Database – please contact the Procurement Team for further information.

3.2 Requests for all exemptions and the reasons for accepting or rejecting the request must be in writing (includes e-mail).

Generally, an exemption will only be approved if it is because of an unforeseeable emergency involving immediate risk to persons or property, disruption to council services or in the best interest of the service.

3.3 An exemption to these Contract Procedure Rules may only be made:-

- By the Chief Financial Officer in consultation with the Assistant Director – Governance & Democracy, the Head of Audit and Governance for contracts estimated to be valued up to £C (£125k) or up to the [threshold](#) if on the Forward Plan. If the Chief Financial Officer is applying for an exemption (or the Assistant Director – Governance & Democracy or the Head of Audit and Governance) then he/she must consult with the Chief Executive. .)
- In consultation with the relevant Portfolio holder for contracts estimated to exceed £C (£125k) if no decision has been made by Cabinet/Forward Plan;

Exemptions cannot be requested if the value of the contract exceeds the [threshold](#). However, an exemption may be allowed subject to the Regulations or if the proposals are non-commercial and satisfy the ‘Teckal’ tests provided in [Regulation 12](#).

Advice on the ‘Teckal’ principle can be obtained from the Procurement Team.

3.4 Under the principles of Value for Money (VFM) the Council should discourage requests for the Council to obtain only one

quotation or tender unless there is only one suitable supplier available. Where there is only one suitably qualified supplier such as for education services and embedded software licence renewals, then all reasonable efforts to secure VFM must be made.

Collaborative Procurement Framework Arrangements

- 3.5 In order to secure VFM, the Council may enter into collaborative procurement arrangements. The Procurement Team must be consulted where a purchase is to be made using collaborative purchasing arrangements with a Local Authority, government department, statutory undertaker or public service purchasing consortium. Where the Council is acting as the lead authority in a consortium for the procurement of goods, works or services, these Contract Procedure Rules will be applicable.
- 3.6 All purchases made via a Local Authority consortium, such as CSW, ESPO, CCS, PFH or CBC, are deemed to comply with these Contract Procedure Rules and an exemption is not required. However, purchases above [threshold](#) must be let under the Regulations, unless the consortium has satisfied this requirement already by letting their contract in accordance with the Regulations on behalf of the council as a named customer and other consortium members.
- 3.7 Framework agreements, due to their nature, may be comprised of several suppliers, and a robust selection process should be undertaken to ensure that the most economically advantageous is selected. When the price is pre-determined and fixed, with a pre-released pricing tariff which can be referred to, a direct award may be made. In any instance where the cost (or specification) of the contract requirement is not fixed, then **all** suppliers capable of performing the contract need to be contacted with an opportunity to bid (Further Competition/Mini-Competition).
- 3.8 Access to Frameworks will be defined by the Framework owner. Some may require an access agreement authorised as per Procedure Rule 15.6 (copy to be forwarded to the Procurement Team). Others may require that the framework contract number to be issued on purchase orders.

Please contact the Procurement Team for advice on suitable Framework Agreements.

Manual Tender Request

- 3.9 All Tenders for £B (£25k) or higher will be required to run through the Electronic Tender (Portal and any resulting Contract must be recorded on the Central Contract Database. If a manual

process is preferred, an exemption request in line with Procedure Rules 3.2 and 3.3 will be required. Reasons may include supplier capability or specialist categories.

PROCEDURE RULE 4: Steps Prior To Purchase

4.1 Before beginning a purchase the employee responsible for it must appraise the purchase, in a manner commensurate with its complexity and value, by:-

- Referring to the Procurement Toolkit on HPRM/Dash or contacting the Procurement Team;
- For requirements above [threshold](#) consider how the contract might improve the economic, social and environmental wellbeing of the Borough and consider if external consultation is required ([Public Services \(Social Value\) Act 2012](#));
- Checking to ensure that the Procurement Team do not already have a preferred supplier agreement for the product/service or if a local agreement would be suitable;
- Completing the Procurement Checklist located with the Procurement Toolkit on Dash/HPCM;
- Appraising the need for the expenditure and its priority;
- Defining the purpose and objectives of the purchase;
- Assessing the risks associated with the purchase and determine how to adequately manage them;
- Considering what procurement method is most likely to achieve the objectives, including internal or external sourcing, partnering, and collaborative procurement arrangements with another Local Authority, government department, statutory undertaker or public service purchasing consortium;
- Consulting users as appropriate about the proposed procurement method, contract standards and methods of performance and user satisfaction monitoring;
- Selecting the terms and conditions that are to apply to the proposed contract in consultation with the Procurement Team and Legal Services Team;
- Decide if the contract can be awarded in separate Lots and if so how many Lots an economic operator can tender for (contact the Procurement Team for advice);
- Confirming that approval has been given for the expenditure and that an appropriate budget exists;
- Ensuring that Regulations have been complied with, including the sending of a Prior Information Notice (PIN) (see Procedure Rule 6.3);
- Identifying the evaluation criteria (see Procedure Rule 10.2);
- Ensuring that the purchase has been reported in the Forward Plan if it is a key decision, i.e. incurring expenditure or creating savings of more than £125k. If it has not been

Appendix A

reported as part of the Forward Plan it will be necessary to seek approval from Cabinet for the spend; and

- Ensuring that the Business Case has been approved where applicable.

PROCEDURE RULE 5: Financial Limits

5.1 Minimum requirements for inviting competitive offers:-

Estimated Value of the Whole Contract*	Minimum Number of Suppliers to be Invited	Minimum Advertising Requirements	Procurement Method	Process Records Required	Form of Contract Required
Less than £A (£7.5k)	No minimum numbers, but must demonstrate VFM	Not Mandatory - Supplier selection based on Officer Knowledge	Verbal Quotation, or Written Quote where the contract value exceeds £1,000	Written record documenting the process (Including Written Quote submitted – if applicable)	Purchase Order (PO) and Invoice
£A to £B (£7.5k to £25k)	3 Written Quotations (4 if an internal Quotation is included)	Not Mandatory - Supplier selection based on Officer Knowledge	Written Quotation (E-Mail or Fax are also acceptable)	Quotations obtained	Purchase Order (PO) and Invoice
£B to £C or D if Works (£25k to £125k or £3.5M if Works)	3 Sealed Quotations (4 if an internal Quotation is included)	Advertisement on the authorised eTendering Portal (and Contracts Finder if Open Advert). Option to keep closed but must be justified and several suppliers invited.	Formal Sealed Written Quotations (Consult the Procurement Team)	Quotations obtained/ Clarification Register	Signed contract/agreement, PO and Invoice (Record on Central Contracts Database)
More than £C (£125k) to threshold or more than D (£3.5M) if Works	3 Tenders (4 if an internal Tender is included)	Advertisement on the authorised eTendering Portal and Contracts Finder.	Sealed Tenders (Consult the Procurement Team)	Tender Schedule, Tenders received and Clarification Register	Formal Sealed Contract (Record on Central Contract Database)
Above threshold	Open Process (advertised openly)	Advertising on Find a Tender and Contracts Finder	Follow Regulations (Consult the Procurement Team)	Complete Log of entire Procedure	Formal Sealed Contract (Record on Central Contract Database)

* Including extension options and shall be deemed to exclude any Value Added Tax applicable to the contract.

- Definition of 'Whole Contract' – all capital and revenue costs payable to the supplier over the life of the contract.
 - Procurement must be consulted if the contract is over £B (£25k) and the contract must be recorded on the Central Contract Database.
 - Definition of 'Works' - the outcome of any works such as is of itself sufficient to fulfil an economic or technical function – [Part 6 Schedule 2](#) of The Public Contract Regulations 2015 contact the Procurement Team for advice.
 - Concession contracts have the same [threshold](#) as 'Works'. In simple terms, a contract is a 'concession' when the economic operator is compensated by the ability to exploit a 'Work' or service on behalf of the authority (i.e. Leisure Centre Operator). However, concession contracts vary from standard service and 'Works' contracts in that, the operator must take a risk that no income is generated and a loss could be incurred. A full definition of what is meant by a 'concession contract' can be found in the [Glossary of Terms](#). If you believe your requirement could be a concession contract, please contact the Procurement Team for advice.
 - Identify if the Service can be reserved for certain qualifying organisations such as cooperatives ([Regulation 77](#)) contact the Procurement Team for advice.
- 5.2 Quotations must, as far as possible, be comparable by reference to a relevant British or equivalent internationally recognised Industry standard, or to an appropriately detailed specification.
- 5.3 Where it can be demonstrated that there are insufficient suitably qualified economic operators, suppliers or contractors to meet the competition requirement, all known suitably qualified suppliers or contractors must be invited.
- 5.4 For tenders which exceed £C (£125k) or £D (£3.5M) if Works, consideration should be given to re-tendering where two or fewer tenders are received, and where prices are high and VFM cannot be demonstrated.
- 5.5 An employee must not enter into separate contracts nor select a method of calculating the total value in order to minimise the application of these Contract Procedure Rules or Public Procurement Regulations.
- 5.6 The splitting of contracts to avoid Regulations is prohibited. However, we may decide to award a contract as separate Lots

as per [Regulation 46](#) . Contact the Procurement Team for advice.

- 5.7 Wherever possible, consideration should be given to contract mergers and aggregation with existing preferred contracts to encourage VFM for the Council. It is essential that if a contract already exists for the supply of the same goods, services or works, the existing contract must be used in the first instance.

PROCEDURE RULE 6: Public Procurement Legislation And Advertising

- 6.1 Procurement legislation is primarily based on directives. There are four directives, The Supplies Directive, The Services Directive, The Works Directive and The Concessions Directive. Each Directive provides for a [threshold](#) sum above which all procurement contracts become subject to stringent rules and regulations. For detailed definitions of the activities covered by each directive and the current [thresholds](#) please consult the Procurement Toolkit or the Procurement Team.
- 6.2 Services and Works are categorised by the via Common Procurement Vocabulary (CPV) Codes. All Services and Works subject to Regulation [thresholds](#) must follow the Find a Tender process. However, [Regulations 74 – 77](#) of the Regulations provide for a light touch regime on certain Services defined by CPV codes in [Schedule 3](#). Public bodies must still observe general EC Treaty principles so it is advisable to follow the process defined for all contracts valued at more than £C (£125k) or D (£3.5M) if Works.
- 6.3 At the start of each financial year each Director may consider whether there is any likelihood of a particular contract exceeding the financial threshold relating to Prior Information Notices (PIN), as set out in the Regulations and if so, notify the Strategic Procurement and Creditors Manager. If a PIN is required it shall be published by the Procurement Team as quickly as possible after the beginning of the financial year to indicate what they plan to tender for in the forthcoming year.
- 6.4. If the Regulations apply the Council must comply with the following procedures:-
 - Not less than 5 economic operators shall be invited to tender in an Open or Restricted procedure unless all attempts to maximise supplier engagement have been undertaken and the opportunity has not been restricted in any way (consult the Assistant Director – Governance & Democracy where applicable);

- The advertisement must be published on Find a Tender before it is advertised in any specialised journals, on the Councils eTendering portal or on any other national portal. Advertising must be proportionate to the total value of the contract or framework agreement and be sufficiently wide enough so as not to give grounds for ineffectiveness. [Regulation 110](#) requires the Council to advertise opportunities on Contracts Finder within 24 hours if advertised elsewhere. If below £C (£125k) we may invite a minimum of 3 economic operators without advertising on Contracts Finder where access is by invite only on a Closed basis (i.e. not advertised elsewhere);
 - The timescale for inviting expressions of interest electronically shall be a minimum of 25 days (unless the urgency procedure is used in which case 15 days applies);
 - The timescale for inviting tenders electronically shall be a minimum of 30 days (unless the urgency procedure is used). The Procurement Team shall be contacted for advice on Award letters and the standstill process in line with [Part 3 of the Regulations - Remedies](#);
 - A Standstill period is compulsory on all tenders above £C (£125k) including Works sealed bids above £C (£125k) unless waived following approval with the Chief Financial Officer but, it must always apply to an above threshold tender as per the regulations and may be used if undertaken a mini-competition/further competition subject to advice from the framework agreement provider;
 - Once the contract has been awarded, the Procurement Team shall place a Contract Award Notice on Find a Tender and Contracts Finder as per [Regulation 108](#). By using eTendering, timeframes are shortened and advertising requirements satisfied, please refer to the Procurement Team for information.
 - Where a project was not registered on Find a Tender because it was estimated as being below the [threshold](#), but then subsequently breaches the [threshold](#), a voluntary Ex-Ante Transparency notice can be raised. Officers must seek advice of the Procurement Team as this is not recommended due to potential scrutiny by the Commission.
- 6.5 The penalties for non-compliance with Regulations are severe and failure to comply could expose the Council to legal action by contractors possibly resulting in setting aside the contract, fines, re-tendering costs and compensation. The Procurement Team should be notified of all tenders to ensure that the process is in line with The Public Contract Regulations 2015.
- 6.6. Following the UK's departure from the European Union, the EU Public Procurement Directives* and UK Public Procurement Regulations** (as amended) will continue to apply until the implementation of the new Procurement Act.

*EU Public Procurement Directives (as amended)

- [The Public Contracts Directive 2014](#)
- [The Concessions Contracts Directive 2014](#)
- [The Utilities Directive 2014](#)

**UK Public Procurement Regulations (as amended)

- [The Public Contracts Regulations 2015](#)
- [The Concession Contracts Regulations 2016](#)
- [The Utilities Contracts Regulations 2016](#)

PROCEDURE RULE 7: Eligibility And Framework Agreements

- 7.1 Procurement Policy Note (PPN) 8/16 sets out the revised standard Selection Questionnaire (SQ). It replaces the current standard Pre-Qualification Questionnaire (PQQ). Use of a PQQ is now prohibited. It is mandatory for a potential supplier to complete Part 1 and Part 2 of the standard Selection Questionnaire, or the ESPD template, for all procurements above [threshold](#).

The standard Selection Questionnaire has been developed to simplify the supplier selection process for businesses, in particular smaller firms, across the public sector. In developing the SQ the opportunity has been taken to make the questionnaire compliant with the European Single Procurement Document (ESPD), and amended the rules on the selection of suppliers.

Supplier selection is a key stage in public procurement where we gather information on and make assessments of the prospective bidders' credentials, before considering tenders. This includes gathering information about companies' track records, financial credentials, whether they have been involved in corruption, whether they meet various selection criteria, and so on.

- 7.2 The standard Selection Questionnaire asks potential suppliers to initially just self-declare their status against the exclusion grounds and selection questions. Usually this will only be checked for the winning supplier.

The standard Selection Questionnaire is structured in 3 separate parts:

- Part 1 of the standard Selection Questionnaire covers the basic information about the supplier, such as the contact details, trade memberships, details of parent companies, group bidding and so on.

- Part 2 covers a self-declaration regarding whether or not any of the exclusion grounds apply.
- Part 3 covers a self-declaration regarding whether or not the company meets the selection criteria in respect of their financial standing and technical capacity.
- For below threshold tenders the SQ questions can be used as a guide to assess suitability of suppliers in a one stage process (ITT/Sealed Quote). For works contracts valued between the supplies and services [threshold](#) and the works [threshold](#) we may use a two stage process and make use of the PAS91 PQQ.
- European Single Procurement Document (ESPD) – ([Regulation 59](#)) - The Council shall accept an ESPD as a declaration of preliminary evidence normally required in a PQQ or SQ ([Regulation 65](#)). For more details contact the Procurement Team. Guidance on the use of Supplier Questionnaires/ESPD can be provided by the Procurement Team.

Framework Agreements ([Regulation 33](#))

- 7.3 A Framework Agreement means an agreement between one or more contracting authorities or one or more economic operators. An agreement may be entered into with one or more providers and must be awarded in accordance with the Regulations.
- 7.4 Contracts based on Framework Agreements may be awarded by either:-
- Applying the terms laid down in the Framework Agreement (where such terms are sufficiently precise to cover the particular call-off) without reopening competition; or
 - Where the terms laid down in the Framework Agreement are not precise enough or complete for the particular call-off, by holding a further competition in accordance with the procedure defined in the Framework. This should include the following:
 - Inviting the organisations within the Framework Agreement that are capable of executing the subject of the contract to submit written tenders;
 - Fixing a time limit which is sufficiently long to allow tenders for each specific contract to be submitted, taking into account factors such as the complexity of the subject of the contract;

- Awarding each contract to the tenderer who has submitted the best tender on the basis of the evaluation criteria set out in the specifications of the Framework Agreement.

PROCEDURE RULE 8: Records ([Regulations 83 and 84](#))

- 8.1 Where the total value is more than £B (£25k) but less than £C (£125k) the following documents must be kept (electronic records if using the electronic process):-
- Invitations to Quote;
 - Quotations received;
 - Log of Quotations opened to include date, time, and signatures of those present
 - A written record of any exemptions and the reasons for them;
 - If the most economically advantageous is not accepted the reasons why; and
 - Written records of communications with the successful contractor.
 - Award notice posted on Contracts Finder
 - All Contracts over £25k must be recorded on the Central Contract Database, please contact the Procurement Team for advice.
- 8.2 Where the total value exceeds £C (£125k), the following must be recorded:-
- The method for obtaining bids and method of advertising;
 - Details of any exemption and the reasons for them;
 - Any pre procurement discussions regarding compliance with the Public Services (Social Value) Act 2012 if above threshold;
 - The evaluation criteria in descending order of importance and any weightings used;
 - The evaluation results;
 - A copy of the SQ (if above threshold or Works), the invitation to tender and a list of the contractors invited;
 - Tender documents received;
 - Details of any pre-tender market research;
 - Any clarification or post-tender negotiation (includes any minutes of meetings);
 - Name of successful tenderer and reasons for their selection
 - Details of unsuccessful tenderers and reasons why they were unsuccessful
 - Details of any Financial reports or accounts;
 - The contract documents;
 - Post contract evaluation and monitoring;
 - Details of all approved variations;

- A full reconciliation of the contract sum and the amount(s) paid taking into account any variations to the original specification;
- Communications with contractors and with the successful contractor throughout the period of the contract; and
- Details of any site visits.

The Contract/Agreement must be signed by an authorised officer of the Council's Legal Team as per the approved signatory and delegations list, and a copy of the contract must be forwarded to the Procurement Team to update the Central Contract Database. The Legal Team will require the relevant approval and authority in accordance with the Council Constitution in order to sign the Contract/agreement for the provision of goods, services and works.

NB In the event of a legal challenge all communications including e mails, may be requested by a Court as evidence. Therefore, it is essential that all documentation is stored securely and all communications/notes are undertaken in a professional manner.

- 8.3 All records must be kept for at least 3 years after the final settlement of the contract, 12 years if the contract is under seal. However, tender documents, which relate to unsuccessful contractors, need only to be kept for a period of 12 months from award of the contract, provided there is no dispute about the award. In some cases it may be desirable to retain documents for a longer period by scanning or using some other suitable method. Where the cost of the contract is to be met in part or in whole, by sources of external funding, the written records shall be retained in accordance with any directions of the external funder.

PROCEDURE RULE 9: Pre-Tender Market Research And Consultation ([Regulation 40](#))

- 9.1 Employees may conduct market consultations prior to the issue of the Contract Notice/Advertisement in general terms about the nature, level and standard of the supply, contract packaging and other relevant matters, provided that this does not prejudice any potential contractor. Informing economic operators of our plans and requirements is acceptable providing it does not distort competition.
- 9.2 An employee must not seek or accept technical advice on the preparation of an Invitation to Tender (ITT) or quotation from anyone who may have a commercial interest in them, if this may prejudice the equal treatment of all potential contractors or distort competition. If in doubt seek advice from the Director –

Arts, Leisure & Democracy or the Strategic Creditors and Procurement Manager.

- 9.3 Where a Contracting Authority is having difficulty defining a specification or requires an innovative solution, it may decide to enter into a Competitive Dialogue or establish an Innovation Partnership with economic operators. The Regulations have established new processes to facilitate this ([Regulations 29 -31](#)) please contact the Procurement Team for further information.

PROCEDURE RULE 10: Standards And Award Criteria **([Regulation 67](#))**

Standards

- 10.1 Employees must ascertain the relevant British or equivalent International Industry standard that applies to the contract and these must be used to properly describe the required quality. Clarification can be sought from the Procurement Team where applicable.

Evaluation criteria ([Regulation 67](#)) See also Procedure Rule 7.2

- 10.2 The evaluation criteria must be defined and documented before tenders or quotations exceeding £B (£25k) are sought. The criteria must be designed to secure Value For Money for the Council. Generally, this shall be the 'most economically advantageous' where considerations other than purchase price or cost apply. If above threshold and a Restricted Procedure is to be used (SQ) then generally criteria used at the SQ stage cannot be repeated during the following Invitation to Tender (ITT) stage.
- 10.3 Considerations other than price should be included, and examples of criteria are listed below:-
- Level of service;
 - Quality of goods;
 - Cost effectiveness;
 - Delivery requirements;
 - Environmental considerations;
 - Functional characteristics, such as security, safety and control features;
 - After sales service;
 - Technical assistance;
 - Social value;
 - Cessation of contract clause to recognise the potential of withdrawal costs in the event of cancellation; and

- Where appropriate, contractors will adhere to the Council's Complaints Procedure.

PROCEDURE RULE 11: Invitations To Tender/Quotations Over £B (£25k)

- 11.1 The invitation to tender or quote shall state that no tender or quotation will be considered unless it is received by the date and time stipulated in the invitation. No tender or quotation delivered in contravention of this procedure rule shall be considered.
- 11.2 Every invitation to tender or quotation shall include the following:-
- A specification that describes the Council's requirements in sufficient detail to enable the submission of a competitive offer;
 - The goods, services or works required together with the terms and conditions of contract that apply. Under Regulations you cannot specify the manufacturer or model of goods required but you can give a detailed description of the specific features required;
 - A statement that says that the Council is not bound to accept a tender or quotation;
 - A full description of the evaluation criteria, including sub criteria.
 - No guarantee of spend where discretionary works apply;
 - Reference to the Council's Whistleblowing Policy (Confidential Reporting Code); and
 - A signed declaration of non-collusion.
 - A statement that the successful tenderer agrees to support our compliance with the [Local Government Transparency Code 2015](#) and the [Freedom of Information Act 2000](#)
 - A statement regarding payment of undisputed invoices within 30 days for Contractors and their Sub contractors
- 11.3 If the contract is valued at over £C (£125k) the Invitation to Tender (or sealed quote for Works contracts) shall also include:-
- Provision for all tenders/quotes to be received electronically in accordance with e-tender procedures approved by the Chief Financial Officer. Faxed or e-mailed tenders shall not be considered;
 - Tender/Contract Timeframe;
 - The method by which any arithmetical errors discovered in the tender will be dealt with. In particular, whether the overall price prevails over the rates in the tender or vice versa;
 - A requirement for tenderers to declare that the tender content, price or other figure or particulars concerning the tender have not been disclosed by the tenderer to any other

party (except where such a disclosure is made in confidence for a necessary purpose);

- A requirement for tenderers to complete fully and sign all tender documents including a Form of Undertaking and certificates relating to the Bribery Act 2010;
- Notification that tenders are submitted to the Council on the basis that they are compiled at the tenderer's expense; and
- A description and definition of the evaluation criteria and, weighting;
- Standard and, where appropriate, any Special Terms and Conditions; and
- Any Collaborative partner Councils by name.

11.4 All contractors invited to tender or quote must be issued with the same information at the same time and subject to the same conditions. Any supplementary information must be given on the same basis.

11.5 Tenderers must be given an adequate period in which to prepare and submit a proper quotation or tender which is consistent with the urgency of the contract requirement. The Regulations lay down specific time periods in [Chapter 2, Section 3 - Procedures](#) (please contact the Procurement Team for advice). It is also best practice to comply with these time periods for all contracts that exceed £C (£125k).

11.6 Electronic tendering systems must be discussed and approved by the Chief Financial Officer and the Head of Audit and Governance. Electronic systems need to comply with the spirit of these Procedure Rules. Faxed or e-mailed tenders will not be accepted. In addition to the Council's e-tendering portal all tenders over £C (£125k) will be advertised and have contract award notifications posted on Contracts Finder.

11.7 Any shortlisting must have regard to the financial and technical standards relevant to the contract and the evaluation criteria. For example:

This may include mandatory grounds for exclusion

- Members of the organisation's senior management team found guilty of fraud/ corruption
- Non-payment of taxes

Or discretionary grounds for exclusion

- Violation of social/environmental laws
- Grave misconduct
- Anti-competitive agreements
- Persistent deficient performance of Public Contracts

The minimum yearly turnover that operators are required to have shall not exceed twice the estimated contract value as per [Regulation 58 \(9\)](#)

For further information, please contact a member of the Procurement Team.

PROCEDURE RULE 12: Receipt And Opening Of Tenders/Quotations

- 12.1 If a Quotation/Tender is subject to a sealed bid process, Quotes/Tenders received by Fax or e-mail, must be rejected.
- 12.2 All tenders with an estimated value greater than £B (£25k) but less than £C (£125k) received via the e-tendering portal may be opened by a member of the Procurement Team due to the auditability of the system and ability to lock the opening of submissions until the deadline date and time..
- 12.3 All Quotations or Tenders valued at £C (£125k) or more received through the Council's authorised e-tendering solution which maintains a secure and fully auditable process, will be opened by at least two members of the Procurement Team.

A summary of the tender opening information as detailed below shall be produced and retained with the contract documents:

- Title of the Contract
 - Names of all tenderers
 - The amount of each tender
 - Date and time of opening
 - Name of those present at opening
 - Verification that all documents are present
- 12.4 The Procurement Team will download the tender responses and make them available to relevant Members/Officers as required for record/audit/evaluation. This may also include anonymised tender opening record.

PROCEDURE RULE 13: Post Tender Negotiation* For Contracts Valued in Excess Of £C (£125k)

*Where a preferred bidder has been determined, but the contract has not been formally awarded.

- 13.1 Providing clarification of an invitation to tender to potential contractors or seeking clarification of a tender, whether in writing or by way of a meeting, is permitted but must be undertaken via the electronic tender portal or in a controlled environment with clear minutes of meetings/discussions. However, discussions with tenderers after submission of a tender and before the

award of a contract with a view to obtaining an adjustment to price, delivery or content (i.e. post tender negotiations) must be the exception rather than the rule. It must not be conducted in procurements above the [threshold](#) where it might distort competition, particularly with regard to price, unless permitted by the regulations.

- 13.2 If post tender negotiations are necessary after a single stage tender or after the second stage of a two stage tender, then such negotiations shall only be undertaken with the tenderer who is identified as having submitted the best tender, but can also be undertaken with all tenderers who are in contention and after the unsuccessful contractors have been informed. This may be required if tenders are higher than previously estimated or above the available budget. Tendered rates and prices shall only be adjusted in respect of a corresponding adjustment in the scope or quantity included in tender documents. A record of the minutes of negotiation meetings shall be kept on file and the changes agreed by both parties shall be in writing.
- 13.3 Where post tender negotiation results in a fundamental change to the specification or contract terms, or results in an increase in price of 10% or £50,000 (whichever is the least), the contract must not be awarded but re-tendered.
- 13.4 The Assistant Director – Governance & Democracy and/or the Monitoring Officer must be formally consulted wherever it is proposed to enter into post tender negotiation. Negotiations must be conducted by a team of at least two employees, one of whom must be from the Legal Service Unit.

PROCEDURE RULE 14: Evaluation, Award Of Contract And Debriefing Contractors (Regulations [67](#), [74 – 76](#), [87](#) and [108](#))

- 14.1 Apart from the debriefing required or permitted by these Procedure Rules, the confidentiality of quotations, tenders and the identity of contractors must be preserved at all times and the information about one contractor's response must not be given to another contractor. Freedom of Information Act 2000 [Sections 43](#) and [44](#) refer to exemptions for confidential and commercially sensitive information.
- 14.2 Contracts must be evaluated and awarded in accordance with the evaluation criteria by a minimum of two employees who have the technical ability to evaluate the submission. The Procurement Team are able to advise on the process, but shall not undertake the evaluation unless there is a justifiable reason for their involvement in the evaluation process. During this process, employees shall ensure that submitted tender prices are compared with any pre-tender estimates and that any discrepancies are examined and resolved satisfactorily. If any

particularly low bids are received or if there are large discrepancies between the bids received, it is advised to undertake an abnormally low bid clarification process. Where a bid is considered to be abnormally low the process detailed in [Regulation 69](#) shall apply:

- Where tenders appear to be abnormally low in relation to the works, supplies or services sought, the Council ask tenderers to explain the price or costs proposed in the tender.
- The contracting authority may only reject the tender where the evidence supplied does not satisfactorily account for the low level of price or costs proposed.

14.3 Any arithmetic within the tenders must be checked. If any errors are found they should be notified to the tenderer, who should be requested to confirm or withdraw their tender. Alternatively, if the rates in the tender, rather than the overall price, were stated within the invitation to tender as being dominant, an amended tender price can be requested to accord with the rates given by the tenderer.

14.4 Where the total value of the contract exceeds £B (£25k), all suppliers must be informed in writing via the electronic portal simultaneously and as soon as possible of the intention to award the contract (or notification of award subject to the procurement procedure), please refer to the Procurement Team for letter templates. Unsuccessful suppliers must be given at least 10 calendar days (not ending weekend or bank holiday) in which to challenge the decision before the contract is awarded where a voluntary or mandatory standstill period is being observed. If the decision is challenged by an unsuccessful tenderer then the contract will not be awarded and advice must be obtained from the Assistant Director – Governance & Democracy and the Monitoring Officer.

14.5 Unsuccessful tenderers shall normally be informed in writing through the electronic tender portal of the reason for non-selection. No information, other than the following, should be given without taking the advice of the Assistant Director – Governance & Democracy:-

- How the evaluation criteria was applied and comparison with the winning tender scores;
- the reasons for the decision, including the characteristics and relative advantages of the successful tender,
- The name of the winning supplier(s).

14.6 If a supplier requests in writing the reasons for a decision, they must be given the reasons in writing within prior to completion of the standstill period or within 7 working days from receipt of the

request if no standstill is being followed. If requested, tenderers who were deselected in a pre-tender short listing process (SQ) may be given the information in Procedure Rule 14.5 above.

- 14.7 Officers must ensure that all contracts tendered via the electronic tender portal have a contract record created in the Central Contract Database and where applicable, a Contract Finder Award Notice published within 90 days following final award. Please contact the Procurement Team for support in doing this.

PROCEDURE RULE 15: Contract Documents

- 15.1 High level detail for all contracts valued at £C (£125k) or above (or £B £25k if open advert at the point of award), must be published on the Council's [Transparency Pages](#) and Contracts Finder in accordance with The Local Government Transparency Code 2015. Details include:

- Contract Reference Number
- Title of Agreement*
- Department
- Description*
- Start Date*
- End Date*
- Extension Options
- Review Date
- Last Extension Date
- Contract Value (Estimated Lifetime)*
- Supplier Name*
- Process Type
- Is the Supplier an SME?
- Is the Supplier a VCSE Organisation?
- VCSE Registration Number (If applicable)
- Unrecoverable VAT

*Only items marked with an asterisk are required for Contracts Finder

- 15.2 All contracts shall clearly specify:-
- The work to be done or the goods, materials or services to be supplied;
 - That all goods supplies and services used or supplied are to comply with any relevant Standards Specification or Code of Practice in force at the date of the tender (British or International equivalent);
 - The price to be paid with a statement of any discounts or deductions (amount and timing);
 - Any insurance requirements;

- Any health and safety requirements;
- Safeguarding vulnerable people requirements (if appropriate)
- The terms of the Bribery Act 2010 or any other legislation that deals with Bribery and Corruption in force at the time the contract is let;
- Compliance with the Equalities Act 2010;
- The time within which the contract is to be performed;
- The provisions for the Council to terminate the contract; and
- A mechanism for agreeing price escalation and or cost reduction requirements;
- That the supplier/contractor will comply with the provisions of the Regulation 2016/679 (GDPR) or any re-enactment of that Regulation insofar as any personal data supplied by the council or obtained on behalf of the council is kept secure and is not disclosed to any other party except in accordance with the contract. The contract shall define the data controller and processor responsibilities sufficient to comply with the Regulation.

15.3 In addition, contracts valued greater than £C (£125k) must also state:-

- That the contractor may not assign or sub-contract without prior written approval;
- Any insurance requirements;
- Health and Safety requirements;
- Ombudsman requirements;
- That charter standards are to be met if relevant;
- Compliance with the Equalities Act 2010;
- Sustainability requirements;
- Confidentiality;
- A right of access to relevant documentation and records of the contractor for monitoring and audit purposes, if relevant;
- Key Performance Indicators; and
- That the Freedom of Information Act 2000 and The Local Government Transparency Code 2015 may require the Council to release information provided by tenderers.

15.4 The formal advice of the Procurement Team must be sought for the following contracts:-

- Where the total value exceeds £B (£25k);
- Those involving leasing arrangements;
- Where it is proposed to use a supplier's own terms; and
- Those which are complex or high risk in any other way.

15.5 All contracts over £C (£125k) must be concluded formally in writing and signed by an authorised signatory and formally sealed by the Legal Team before the supply, service or construction work begins, except in exceptional circumstances, and then only with the written authority of the Assistant Director -

Governance & Democracy or Monitoring Officer. An award letter is insufficient. All contracts should be given a unique number allocated by the Procurement Team who should also be supplied with a copy of the contract.

- 15.6 The employee responsible for obtaining the signatures on the contract must ensure that the person signing for the other contracting party has authority to bind it.
- 15.7 A contract must be sealed by the Council if:-
- The Council may wish to enforce the contract more than 6 years after its end;
 - The price paid or received under the contract is a nominal price and does not reflect the value of the goods or services;
 - There is any doubt about the authority of the person signing for the other contracting party; or
 - The total value of the contract exceeds £C (£125k) .
-
- For electronic contracts such as those on G-Cloud or a digital marketplace please refer to the Procurement Team who will create a signed electronic copy on the Central Contract Database and forward this to Legal for an electronic seal.

PROCEDURE RULE 16: Liquidated Damages, Bonds And Parent Company Guarantees

- 16.1 A risk assessment and financial check of every contract for the purposes of determining the level of security needed, if any, must be made by the appropriate Strategic Director or Assistant Director in consultation with the Procurement Team.
- 16.2 For every contract where it is considered that the Council would suffer loss if the contract works, supplies or services are not provided in the time specified, the contract shall provide for the payment of liquidated damages by the contractor to reflect the anticipated loss to the Council.
- 16.3 Employees must consult with the Chief Financial Officer to establish whether a Parent Company Guarantee is necessary when a contractor is a subsidiary company and:-
- The award is based on an evaluation of the parent company; or
 - There is some concern about the financial stability of the supplier.
- 16.4 Employees must consult with the Chief Financial Officer to establish whether a bond is needed where:-

- It is proposed to make stage payments during the life of the contract and there is some concern about the financial stability of the supplier; or
- There will be a cost to maintain service delivery if the supplier goes into liquidation.

PROCEDURE RULE 17: Prevention Of Corruption

- 17.1 Employees must comply with the Employee Code of Conduct and the Council's policy on Gifts & Hospitality and must not invite or accept any gift or reward in respect of the award or performance of any contract. It will be for the employee to prove that anything received was not received corruptly. High standards of conduct are obligatory. Corrupt behaviour will lead to dismissal and is a criminal offence under the Bribery Act 2010.
- 17.2 All formal written contracts must include a provision that permits the Council to terminate a contract and to recover loses if the supplier (including its employees, agents or third parties) including anyone acting on behalf of the supplier,
- Offer, give or agree to give to anyone any inducement or reward in respect of this or any other Council contract (even if the contractor does not know what has been done); or
 - Commit an offence under the Bribery Act 2010 or any other legislation that deals with Bribery and Corruption in force at the time the contract is let; or
 - Commit any fraud in connection with this or any other Council contract whether alone or in conjunction with Council members, contractors or employees.

PROCEDURE RULE 18: Declaration Of Interests

- 18.1 If it comes to the attention of a member or employee of the Council that a contract, in which he or she has a financial or non-financial interest, has been or is proposed to be entered into by the Council, he or she must record it in the Interests Register which is maintained by the Monitoring Officer. Where necessary the Monitoring Officer will report such declarations to the relevant Officers and Members.
- 18.2 Such written notice is required irrespective of whether the interest is direct or indirect. An indirect interest is distinct from a direct interest in as much as it is not a contract to which the member or employee is directly a party.

- 18.3 In the case of a member, a shareholder in a body not exceeding a total nominal value of £25,000 is not a financial interest for the purposes of this Procedure Rule.
- 18.4 The Monitoring Officer shall ensure that the attention of all members is drawn to the National Code of Local Government Conduct and the local Member Code of Conduct and that all employees are aware of the Employee Code of Conduct.

PROCEDURE RULE 19: Contract Management ([Section 6 Regulations 70 -73](#))

- 19.1 A Principal Contract Officer must be nominated for all contracts over £B (£25k). The nominated person will be responsible for the planning, coordination, monitoring and controlling of the contract, and ensuring completion on time, within cost and to the required quality standards.
- 19.2 For all contracts with a value exceeding £C (£125k) the Principal Contract Officer must:-
- Maintain a risk register during the contract period;
 - Undertake appropriate risk assessments;
 - For each risk identified, ensure that contingency measures are in place; and
 - Confirm the financial stability and insurance cover of the contractor at least annually.
- 19.3 During the life of the contract the following issues must be monitored:-
- Performance;
 - Compliance with specification and contract;
 - Cost, quality and value for money;
 - User satisfaction and risk management; and
 - Customer complaints [Customer Feedback and Monitoring](#)
NB see [Procurement Toolkit Step 1 - Commissioning](#)
- 19.4 Where the total cost of any work carried out under a contract is expected to exceed the contract sum, this will be escalated in accordance with the virement limits procedure within the Financial Procedure Rules, in consultation with the Chief Financial Officer.

The limits are:

- £5,000 Budget Holder;
- £10,000 Section Head/Assistant Director
- £50,000 Strategic Director;
- Any increase in excess of £50,000 will require Portfolio Holder consultation and permission.

19.5 Contract modifications may be permitted by [Regulation 72](#) where:

- The modifications were provided for in the original procurement
- It is within the original scope, and significant disruption or cost would be incurred if not modified
- Within scope and unforeseen
- Any increase does not exceed 50% of the original value

Please refer to the Procurement Team or Assistant Director - Governance & Democracy for clarification ([Regulation 72](#))

PROCEDURE RULE 20: Extensions Of Existing Contracts

20.1 Subject to compliance with the Regulations, contract extensions can be awarded when:

- Value for Money can be demonstrated for the Council;
- The option to extend was written into the original contract;
- The extension period is less than the original contract term; and
- For Contracts subject to Regulations, the Notice and Award Notice included the option to extend

20.2 The extension must be approved in advance by the Chief Financial Officer in consultation with the Procurement Team and the Head of Audit and Governance. Before approval is given it must be satisfied that:-

- The total contract value including the extension is less than the [threshold](#) or it will be subject to Regulations
- The existing contract was let following full competition in accordance with the Procedure Rules and less than 5 years have elapsed since the initial contract was awarded;
- Less than 4 years have elapsed if the contract is a Framework Agreement;
- The new work is sufficiently similar in nature and extent;
- The majority of the rates for the new work are directly based on the existing contract;
- Rates for work which cannot be based directly on the existing contract can be negotiated equitably. A written report should be compiled detailing the circumstances and outcome of these negotiations;
- That the likely benefit of further competition would be outweighed by the administrative cost and/or delay involved; and
- That the interests of the Council will not be compromised by the negotiation.

PROCEDURE RULE 21: Long Term Relationships

- 21.1 Better value for money and improved quality of service delivery can be achieved by entering into long-term agreements with contractors, suppliers and service providers. Therefore, you must package contracts in such a way that they reduce the number of times that the Council needs to seek competitive tenders. This can be achieved by amalgamating similar types of supplies and services into single contracts and then seeking competitive tenders.

PROCEDURE RULE 22: Partnering

- 22.1 A partnership is an agreement between the Council and one or more independent legal bodies, organisations or individuals to work collectively to achieve a common purpose with specified aims and objectives.
- 22.2 Partnering arrangements which involve a joint venture or contractual arrangement with a private sector body are subject to the provisions of these Procedure Rules.
- 22.3 If the partnering agreement involves another Local Authority the Procedure Rules of the lead authority will apply.

PROCEDURE RULE 23: Open Book Accounting

- 23.1 Open book accounting provides transparent processes that support the development of collaborative working arrangements with a view to:
- Understanding expenditure;
 - Understanding the cost implications of decisions taken or being considered in delivering a project and forward investment;
 - Operating and managing a target contract to incentivise and drive improvements in cost efficiency
 - Encouraging clients, contractors and their supply chain to work together to develop and implement a proactive approach to project decision making.
- 23.2 Target contracts work on the basis that the contractor:
- Is reimbursed actual costs incurred in delivering a project. This includes the cost of labour, supervision, plant, equipment, materials, site preliminaries, site specific insurances etc.;
 - Is paid a reasonable allowance to contribute towards off site overheads and profit;
 - Works to a predetermined commercial target;

- Is incentivised through shared savings to reduce cost without any loss in quality through the use of efficient designs and lean working practices.

PROCEDURE RULE 24: Transfer Of Undertakings (Protection Of Employment) Regulations 2006

- 24.1 All tenders must indicate how the Council intends to deal with [The Transfer of Undertakings \(Protection of Employment\) Regulations 2006](#) (TUPE) where applicable
- 24.2 When the Council considers there to be a TUPE transfer from the Council, the advice of the Herad of People and Culture, Assistant Director – Governance & Democracy and/or the Monitoring Officer shall be sought upon the terms of any transfer of employees, including any indemnities sought from a successful tenderer.
- 24.3 All contracts shall require a successful tenderer to undertake to comply with its obligations under TUPE; in particular the contract shall apply the principles set out in Office of the Deputy Prime Minister Circular 03/2003 Annex D – Code of Practice on Workforce Matters in Local Authority Service Contracts.

For further information and guidance, please visit this link - <https://www.gov.uk/transfers-takeovers>

PROCEDURE RULE 25: Freedom Of Information Act 2000 Exemptions Section 43 – Commercial Interests

- 25.1 [Section 43](#) exempts information where disclosure would be likely to prejudice the commercial interests of any person. It also includes a specific exemption for trade secrets. It protects not only the commercial interests of the public authority that holds the information.
- 25.2 In using this exemption, you should bear in mind that the commercial sensitivity, particularly the market sensitivity, of information will usually decrease in time.
- 25.3 More information and advice can be obtained from the Head of Audit and Governance or the Assistant Director – Governance & Democracy.

Glossary Of Terms

- **“the Commission”** means the European Commission;
- **“contracting authorities” or “contracting authority”** means the State, regional or local authorities, bodies governed by public law or associations formed by one or more such authorities or one or more such bodies governed by public law;
- **“CPV”** means the Common Procurement Vocabulary as adopted by Regulation (EC) No. 2195/2002(b) as amended from time to time;
- **“economic operator” or “supplier”** means any legal person or public entity or group of such persons and/or entities, including any temporary association of undertakings, which offers the execution of works and/or a work, the supply of products or the provision of services on the market;
- **“Electronic Tender Portal”** means an electronic method of tendering using electronic equipment for the processing (including digital compression) and storage of data which is transmitted, conveyed and received via a e-tendering system;
- **“Publications Office”** means the Publications Office;
- **“European standard”** means a standard adopted by a European standardisation organisation and made available to the general public;
- **“framework agreement”** has the meaning given by regulation 33(2); primarily a contract with one or more operators or clients;
- **“International standard”** means a standard adopted by an international standardisation organisation and made available to the general public;
- **Selection Questionnaire(SQ)** means a method of selecting suitable operators to fulfil the Contract
- **Invitation To Tender (ITT)** is the documents/ process used to define our specification and evaluation criteria in a suitable way to facilitate operators to tender for the opportunity
- **“life cycle”** means all consecutive and/or interlinked stages, including research and development to be carried out, production, trading and its conditions, transport, use and maintenance, throughout the existence of the product or the works or the provision of the service, from raw material acquisition or generation of resources to disposal, clearance and end of service or utilisation;
- **“national standard”** means a standard adopted by a national standardisation organisation and made available to the general public;
- **“public contracts”** means contracts for pecuniary interest concluded in writing between one or more economic operators and one or more contracting authorities [and having] as their object the execution of works, the supply of products or the provision of services;

- **“Public Contracts Directive”** means Directive 2014/24/EU of the European Parliament and of the Council of 26 February 2014(c);
-
- **“standard”** means a technical specification, adopted by a recognised standardisation body, for repeated or continuous application, with which compliance is not compulsory, and which is an international standard, a European standard or a national standard;
- **“technical specifications”** means the matters referred to in regulation 42(2) to (7);
- **“tenderer”** means an economic operator that has submitted a tender;
- **“work”**, as a singular noun, means the outcome of building or civil engineering works taken as a whole which is sufficient in itself to fulfil an economic or technical function;
- **“working day”** means a day other than a Saturday, Sunday, Christmas Day, Good Friday or bank holiday within the meaning of the Banking and Financial Dealings Act 1971(c); and within a certain period and the last day of that period is not a working day, the period shall be extended to include the next working day.]
- **“Restricted process”** is a two stage process using a Selection Questionnaire to select suitable economic operators
- **“Open Process”** is a single stage process where an Invitation To Tender is issued without a Selection Questionnaire
- **“Exemption”** is where a particular procurement is not covered by the Regulations or below threshold where authorised officers can waive these rules
- **“SME”** means an enterprise falling within the category of micro, small and medium-sized enterprises defined by the Commission Recommendation of 6 May 2003 concerning the definition of micro, small and medium-sized enterprises
- **“Open Advertisement”** – means if an opportunity that has been advertised on a National basis as opposed to where selected operators are invited
- **“ESPD”** means the European Single Procurement Document referred to in Regulation 59(1) conceived to reduce the need for multiple PQQ’s for economic operators
- **“Concession Contract”** means a contract where the contracting authority provides the economic operator with the opportunity to either;
 - I. Deliver and then exploit a ‘Work’, or,
 - II. provide management of an existing asset or other services required by the authority,
 - III. where consideration for delivering the contract shall result from their right to exploit the work/service or that right together with payment.

To qualify as a concession, the contract must;

Appendix A

- I. transfer the operating risk in exploiting the 'Work' or services to the economic operator, and
- II. the operator must be exposed to loss due to market forces and supply and demand, and
- III. there must be no guarantee that they can recoup the investment made, and the potential loss incurred shall not be merely nominal or negligible.

AGENDA ITEM NO 10.

NUNEATON AND BEDWORTH BOROUGH COUNCIL

Report to: Audit and Standards Committee – 9th January 2024

From: Assistant Director – Governance & Democracy

Subject: Annual Governance Statement 2022-2023

1. Purpose of the Report

- 1.1. To present the findings of an assessment of Nuneaton and Bedworth Borough Council's corporate governance framework as presented in the Annual Governance Statement.

2. Recommendations

- 2.1. To consider the findings of the review of corporate governance and internal control as set out in the Annual Governance Statement (AGS) at Appendix A to this report.
- 2.2. The AGS be approved subject to 2.1 above.

3. What is the Committee being asked to consider?

- 3.1. The key points to consider are:
 - Do the processes described within the AGS adequately reflect the effectiveness of the Council's governance framework?
 - Is the proposed action plan for 2023-24 complete and fit for purpose?

4. Annual Governance Statement

- 4.1. The production of an AGS is a statutory requirement for local authorities. Regulation 6 of the Accounts and Audit (England) Regulations 2015 states that every financial year a local authority must conduct a review of the system of internal control and prepare an AGS. The AGS must be approved in advance of the relevant authority approving the Statement of Accounts.
- 4.2. The AGS must meet the requirements of the revised 2016 Good Governance Framework. The Framework states that the AGS should be

prepared in order for the local authority to report publicly on the extent to which it has complied with its own code of governance, including how it has monitored and evaluated the effectiveness of the governance arrangements in the year, and on any planned changes in the coming year. The process of preparing the AGS should itself add value to the effectiveness of the corporate governance and internal control framework.

4.3. The AGS should include:

- An acknowledgment of responsibility for ensuring that there is a sound system of governance, incorporating the system of internal control, and reference to the Council's code of governance;
- Reference to and assessment of the effectiveness of the key elements of the governance framework and the role of those responsible for the development and maintenance of the governance environment, such as the Management team, the Audit & Standards Committee, Internal Audit and others as appropriate;
- An opinion on the level of assurance that the governance arrangements can provide and that the arrangements continue to be regarded as fit for purpose in accordance with the governance framework;
- An action plan showing actions taken, or proposed, to deal with significant governance issues; reference to how issues raised in the previous year's annual governance statement have been resolved; and
- A conclusion.

4.4. Evidence sources for collating the AGS were as follows:

- Consultation with Management Team;
- Assurances provided by Directors through the completion of Assurance Statements;
- Work undertaken by internal audit and other inspection regimes;
- Taking account of the Recommendations from the LGA Peer Review; and
- Review of progress against the previous year's AGS action plan.

4.5. As part of the review, no significant governance issues have been identified other than noting the macro environmental factors, the details of which are outlined in the statement, but an action plan has been included within the AGS covering the areas for improvement.

Annual Governance Statement

Nuneaton and Bedworth Borough Council

ANNUAL GOVERNANCE STATEMENT
For the period 1st April 2022 to 31st March 2023

Scope of responsibility

Nuneaton and Bedworth Borough Council is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently, and effectively. In discharging this responsibility, Councillors and Senior Officers are responsible for putting in place proper arrangements for the governance of Nuneaton and Bedworth Borough Council's affairs and for ensuring that there is a sound system of internal control which facilitates the effective exercise of its functions, and which includes arrangements for the management of risk.

To this end, Nuneaton and Bedworth Borough Council has approved and adopted a local code of corporate governance, which is consistent with the principles of the Chartered Institute of Public Finance and Accountancy and the Society of Local Authority Chief Executives and Senior Managers (CIPFA/SOLACE) joint framework for delivering good governance in local government. CIPFA issued an update to the Framework in 2016, which has informed the preparation of the Annual Governance Statement (AGS) from 2016/17 onwards. A copy of the local code can be found on the Council's website (dated 2019 at the time of issuing this statement).

This statement explains how Nuneaton and Bedworth Borough Council has complied with the local code and meets the requirements of regulation 6 of the Accounts and Audit Regulations 2015 in relation to the publication of an Annual Governance Statement.

The purpose of the governance framework

The governance framework comprises the systems and processes for the direction and control of the Authority and its activities through which it accounts to, engages with, and leads the community. It enables the Authority to monitor the achievements of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate, cost-effective services.

The system of internal control is a significant part of that framework and is designed to manage risk to a reasonable level. It cannot eliminate all risk of failure to achieve policies, aims and objectives and can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Nuneaton and Bedworth Borough Council's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively, and economically.

The governance framework has been in place at Nuneaton and Bedworth Borough Council for the year ended 31st March 2023.

Impact of the macro environmental impacts on the governance arrangements

The Council has faced continued challenges during 2022/23, particularly in respect to the ongoing effects of the COVID-19 pandemic but more specifically the war in Ukraine, the rate of inflation, borrowing rates and unforeseen utility prices promoting the cost of living crisis. The pandemic has resulted in changes to working practices (e.g. agile and remote working etc.) which have required a greater degree of flexibility and risk-based decision making at certain levels in the authority which, have continued throughout the duration of the reporting period for this statement. As reported in the 2021/22 Annual Governance Statement, due to the relaxation of Covid restrictions from February 2022, the impact of the pandemic has remained negligible upon the Council's Governance arrangements. However, the Council did prompt a refresh of the Council Business Continuity arrangements, working in partnership with the Coventry Solihull and Warwickshire Emergency Planning and Business Continuity team to provide a consistent and cohesive response should an event occur. Furthermore, Cabinet was presented the Medium-Term Financial Strategy (MTFS) in November 2022 covering a rolling five-year plan that sets out the Council's commitment to provide services that meet the needs of local people with focus on value for money, working within the resources available in accordance with the objectives set in the Build a Better Borough Corporate Plan. Despite this, regular budget monitoring for the General Fund, Housing Revenue Account and Capital Budgets, together with treasury management reports, were reported to Cabinet (and where applicable to Council) to outline the impact on the financial position of the authority and impact on services due to macro environment factors such as the war in Ukraine, the rate of inflation,

borrowing rates and unforeseen utility prices. Consequently, and most notable, it was decided in January 2023, to delay any further work on the Bedworth Physical Activity Hub project (one of the largest projects the Council is intending to delivery) due to rising costs for the remainder of the Financial Year until other sources of finance could support the delivery of the project. Secondly, it was decided (October 2022) to not re-open the Civic Hall due to constrains placed upon the Council.

Review of effectiveness

Nuneaton and Bedworth Borough Council has responsibility for conducting, at least annually, a review of the effectiveness of its governance framework including the system of internal control.

The review of the effectiveness of the system of internal control is informed by:

- the work of the internal auditors and the Head of Audit and Governance's Annual Report.
- Directors within the Authority who have responsibility for the development and maintenance of the internal control environment; and
- comments made by the external auditors and other review agencies and inspectorates.

Assurance statements have been received from the Chief Executive and Directors setting out their confirmation that the control systems in place are adequate and that they are being complied with.

The review for the 2022-23 statement has been carried out by the Management Team and the final statement was approved virtually on 19th December 2023.

The process that has been applied in maintaining and reviewing the effectiveness of the system of internal control includes:

Corporate Governance and Council

- The Monitoring Officer has a duty to monitor and review the operation of the Constitution to ensure its aims and principles are given full effect.

- The Council reviews the Local Code of Corporate Governance on a regular basis and adopts an action plan to deal with any issues. The Audit and Standards Committee approved a revised Local Code in July 2018, which is consistent with the principles set out in the CIPFA/Solace Delivering Good Governance in Local Government Framework 2016. The Local Code is due to be reviewed and updated during 2023/24.
- The Anti-Fraud and Bribery Strategy and Fraud Response Plan demonstrate the Council's commitment to the prevention and detection of all types of fraud, corruption and bribery and extends to members, employees, and partners. It also puts the onus on managers to create an environment in which employees, contractors and partners feel able to approach them with concerns. A revised Anti-Fraud and Bribery Strategy was approved by the Audit and Standards Committee in January 2018 and is due to be reviewed again during 2023/24.
- A Council Tax, Housing Benefit, and Council Tax Support Penalty and Prosecution Policy was approved by Cabinet in December 2022. The purpose of the Policy is to set out the action the Council may take in cases of fraud or misinformation in relation to Housing Benefit, Council Tax Support and Council Tax discounts and exemptions.
- The Head of Audit and Governance has been appointed as the Council's 'Whistleblowing Officer' and will be the first point of contact in conjunction with the Monitoring Officer to receive concerns that are raised under the Council's Confidential Reporting Code.
- Overview and Scrutiny Panels (OSP's) can 'call in' a decision which has been made by the Cabinet, Portfolio Holder, or other authorised decision taker, where it has not yet been implemented, to enable them to consider whether the decision is appropriate. They allow people to have a greater say in Council matters by holding public inquiries into matters of local concern.
- The Council's Partnership Framework supports the planning and delivery of effective partnership working and ensures that any partnerships the Council is involved in are managed with appropriate governance arrangements. A revised Framework was approved by the Audit and Standards Committee in March 2018.
- Overview and Scrutiny Panels receive regular reports on the work of the key partnerships.
- The Council has in place a Proceeds of Crime (Anti Money Laundering) Framework, which aims to maintain high standards of conduct and prevent criminal activity through money laundering. A revised Framework was approved by the Audit and Standards Committee in November 2017 and is due to be updated during 2023/24.
- On the 17 April 2013 the Council approved a revised policy for inclusion in the Constitution on Gifts & Hospitality which incorporates the changes brought about by the Bribery Act 2010. The policy was reviewed during 2020/21 and a revised version was approved by Council in April 2021.

- An annual report is presented to Elected Members to consider the Register of Members Interests and the content of the registers of Gifts and Hospitality for Members and Officers. The last report was presented to the Audit and Standards Committee in November 2022.
- The Council has approved changes to the Constitution where appropriate to ensure decision making is legal, timely and robust. There is a Constitution Review Working Party which oversees and make recommendations on the Constitution.
- The Council has a trading arm – NABCEL – which operates commercially. There is a Shareholder Agreement in place which sets out clearly the decision-making responsibilities of both NABCEL and the Council as the only shareholder. The Shareholder Role is exercised through a politically balanced committee of Cabinet (titled as the Nuneaton and Bedworth Community Enterprise Limited (NABCEL) Shareholder Committee) which met three times during the 2022/23 Financial Year.
 - It is worth noting that NBBC is one of 8 shareholders in Sherbourne Recycling Limited. Coventry City Council is the main shareholder. Coventry City Council hold a Shareholder Committee in which performance data and updates are presented to the committee at least once a year. In addition, Board meetings take place at officer level and respective portfolio holders also meet to discuss progress.
 - In addition, NBBC is also a shareholder, amongst 32 others of West Midlands Employers (WME). WME have a representative body comprising of the Chief Executive of each subscribing member council who agrees the business plans, budgets and other constitutional matters. WME also report through an Elected Member Management Board nominated from sub-regional groupings covering Birmingham; Black Country; Coventry, Solihull and Warwickshire; Worcestershire; Herefordshire, Telford and Wrekin and Shropshire; and Staffordshire and Stoke with an additional member representing the District Councils. The chair of the WME Management Board is Cllr Ken Meeson, Cabinet Member for Solihull MBC and the Vice Chair is Cllr Tristan Chatfield, Cabinet Member for Birmingham City Council.
- The Council has a zero tolerance to all forms of fraud and corruption. The Council employs a Counter Fraud Officer who works closely with the Revenue and Benefits and Housing Teams to identify, deter, and prevent fraud. The Audit and Standards Committee received an annual report on 5th September 2023 summarising the Counter Fraud Activity for the 2022/23 Financial Year.
- The Council has a joint working arrangement with the Department for Work and Pensions so cases which involve both Housing Benefit and a Council Tax Reduction will be investigated jointly.
- the Council established a further standing committee to deal with employment matters and related issues concerning, amongst other things, terms & conditions of employment and the approval of Human Resources policies in July 2021 and this committee (Employment Committee) continued to operate during the statement period meeting three times during the 2022/2023 Financial Year.

- The Director – Finance and Enterprise submitted two reports to Cabinet in October 2022, one being the revised Equality Policy and the second being the Benefit Fraud Penalty and Prosecution Policy for approval. Both reports and policies obtained the approval of Cabinet.
- Cabinet also agreed to a new Tenancy Fraud Policy in October 2022.
- The Director – Regeneration and Housing submitted a report to Cabinet in December 2022, detailing the proposals to amend the governance approach to both the Transforming Nuneaton and Transforming Bedworth programmes. The approved approach adopts the Managing Special Programmes (MSP) approach, which is the best practice model for managing and delivering major projects and programmes. The adoption of this methodology is required by Central Government for all projects that are in receipt of Government funding.
- The Director – Public Services submitted a report to Cabinet in January 2023, seeking approval from Cabinet for the adoption of the Councils Water Safety Policy. Cabinet subsequently approved the policy (Ref CL42) to ensure focus on site safety and on exploring and determining how we can manage the risk that our water bodies could pose to the public, our employees, and contractors.
- The Strategic Creditors and Procurement Manager submitted the proposed new Procurement & Accounts Payable Strategy for 2023 – 2027 to Cabinet for approval in March 2023 which subsequently was approved by Cabinet.

Information Management

- A revised Information Governance Framework, ICT Code of Conduct for Employees, and the Members Protocol for use of the Council's ICT Resources was approved by the Portfolio Holder for Central Services in August 2017
- The Information Management Group is made up of Officers from across the Council that represent all Council Directorates.
- With the management Team restructure completed in September 2021, the Director Customer & Corporate Services was appointed as the Senior Information Risk Owner and the Head of Audit and Governance is the Deputy.
- A Customer Experience Officer was appointed in October 2021 whose role expanded to include that of the Data Protection Officer. The role is now titled Customer Experience and Data Protection Officer. The post holder has undergone external training to support this additional responsibility.
- The Council has introduced an electronic process for reporting data breaches and near misses internally to the Data Protection Officer ensure that all appropriate action can be taken promptly.

- All data breaches and near misses are discussed with the Information Management Group to enable any lessons learned to be shared.
- All employees and senior managers receive mandatory data protection training and attendance is monitored.
- Subject Access and other information rights requests are processed in line with the new statutory timescales
- The Council carries out an annual compliance check to ensure its infrastructure is sufficiently secure to connect to the Public Service Network. The current certificate expired in August 2021 and renewal was delayed whilst a significant infrastructure (Azure) migration has been undertaken. The certificate has been renewed during the 22/23 financial year.

The Council was assessed as meeting the Government backed Cyber Essentials Scheme and as such has defences that are satisfactory against commodity based cyber-attacks. The certificate expired in December 2018 and was to be renewed when the unsupported Northgate Housing Software was replaced. There was a delay in the implementation with the new CIVICA CX system, however this work is now complete. The Council has subsequently been assessed and has fallen short of certification due to reasons such as mobile devices requiring renewal or legacy software becoming unsupported during the assessment period. The Council's ICT team have achieved the renewal propose was undertaken and remedial works identified which are due to be undertaken during 2022/23 in order to re-obtain the certification.

Audit and Standards Committee

- The purpose of the Council's Audit and Standards Committee is to provide independent assurance of the adequacy of the risk management framework and the internal control environment. It provides an independent review of governance, risk management and control frameworks and oversees the financial reporting and annual governance processes. It oversees internal and external audit, helping to ensure efficient and effective assurance arrangements are in place.
- In order to ensure high standards of conduct and probity, the Committee also plays a key part in strengthening and maintaining the highest standards of ethical conduct which the public is entitled to expect from both Members and Officers of the Council. The Committee approved a new Code of Conduct for Elected Members in March 2021, based upon the model used by Warwickshire County Council. The intention behind this was to ensure that a single code applied, particularly where there are "twin-hatters" who are subject to both the Council's and the County Council's code of conduct.
- The Committee also receives and reviews the Annual Monitoring Report from the Local Government & Social Care Ombudsman. This was considered in November 2022. 3 cases were upheld against the Council and a report setting out the actions to respond to the recommendations was considered by the Committee.

- The Audit & Standards Committee also undertakes a monitoring role in connection with probity matters raising from “Whistle-blowing” complaints brought under the Council’s Confidential Reporting Code. One complaint was considered by the Committee in March 2022 and the actions of the Council were noted.
- The Audit and Standards Committee received a report (5th September 2023) summarising the Internal Audit Annual Report which outlines the findings of an assessment of the internal audit function against the Public Sector Internal Audit Standards and quality assurance programme. The report also summarised the internal audit work upon which an overall opinion on the control environment was presented which resulted in satisfactory assurance on the overall adequacy and effectiveness of the Council’s framework of governance, risk management and control.

Management Team

- The Management Team meets on a weekly basis and reviews progress on performance measures, risk management reviews and inspections at the end of each month. These are done by exception to focus attention on key issues that may require action. Management Team and Cabinet also receive a monthly Strategic Performance Report showing key financial and non-financial performance data, using a ‘traffic light’ system.
- The Management Team structure has remained consistent throughout the Financial Year, following on from the update provided in the previous Annual Governance Statement (21/22). For the avoidance of any doubt, this comprised of a Chief Executive and five (5) Directors. Of the five (5) Directors, one acted as the designated Monitoring Officer, another fulfils the role of the Section 1-5-1 Officer and a 3rd Director fulfils the role of Deputy Chief Executive.
- Arising from the Corporate Peer Challenge, a recommendation was made to develop an appropriate project management framework with clearly identified Senior Responsible Owners, appropriate governance arrangements including engagement with key support services such as finance and legal to ensure decisions are taken in a lawful and timely way, with standard templates and processes for implementation and monitoring, will strengthen the delivery of NBBC’s projects.

Performance Management

- The TEN Performance Management System is used to report performance to officers, members and the public and highlight under-performing services. Corrective action plans are then put in place to address issues. Performance management is reported to Scrutiny Panel on a quarterly basis during the year, via integrated finance and performance reports.

- The Council's Performance Management Framework was updated and approved by the Audit and Standards Committee in November 2021 and is now included in the Council's Constitution.
- Greater use of benchmarking is now used in the Performance Reports to enable the Council to be measured against good performance and the intention is to continually enhance this further on an on-going basis.
- The Council continues to use transformation approaches as a means of improving service delivery and overall value for money. Having adopted an enterprise strategy in February 2022, the Council approved a budget to fund a service transformation programme in February 2022 to deliver financial sustainability linked to the Council's MTFP.
- Services that have previously been subject to a performance review continue to embed continuous improvement which ensures continual monitoring and review to ensure the service is still providing an effective service to its customers.

Financial Management Arrangements

- The Council appointed a new Chief Financial Officer (CFO) in January 2022, which is a statutory post responsible for the financial management arrangements of the authority. The new post holder was appointed to the role of Director – Finance & Enterprise and commenced the role on 2 May 2022. The CFO is a member of the Management Team. The role conforms to the requirements within the updated CIPFA statement on the role of the CFO in Local Government and the post holder remains with the Council. The CFO issued the Statement of Accounts 2020/2021 and Audit Findings for Nuneaton and Bedworth Borough Council to the Audit and Standards Committee in August 2022 which sought approval.
- The Financial and Contract Procedure Rules [FPRs and CPRs] are used by all officers and Members to ensure effective use of resources and robust and transparent decision making. Both the FPR's and CPRs were reviewed in 2019/20 and approved in May 2020. With regards to the CPRs, the Government issued a Green Paper in December 2020 (titled Transforming Public Procurement) setting out its vision to transform the public procurement regime. The Bill is progressing through the House of Lords before being approved by the House of Commons and then seeking Royal Assent. Originally the indication was that the new Act will be live on or around May 2023, however, it is now expected October 2024. This timescale become apparent during the 22/23 financial year so no update has been undertaken by the Council but it is likely to update the CPR's during the 2023/24 financial year to ensure they are aligned with the provisions of the new Act. The Procurement team frequently review updates and inform key stakeholders of the updates in readiness for the new Act to ensure NBBC is ready (as best as it can be) for the new regime. As outlined above, Cabinet approved in March 2023 the new Procurement & Accounts Payable Strategy for 2023 – 2027. The strategy had been to the Finance & Public Services OSP in January 2023 and recommended to Cabinet for approval and adoption.

- Corporate Governance Training programme provided to Senior Officers throughout 2022/23 including the following topics:
 - Procurement
 - Accounts Payable
 - Contract Management
 - Bribery
 - Gifts and Hospitality

Note that e-learning corporate governance was still available.

- A revised Medium Term Financial Plan was reported to Cabinet in November 2022 covering a rolling five-year plan that sets out the Council's commitment to provide services that meet the needs of local people with focus on value for money, working within the resources available in accordance with the objectives set in the Build a Better Borough Corporate Plan. It outlined the savings required over the period 2020-2023, based on the one-year 'roll-over' settlement offered by central government for 2020/21. A further one-year roll-over settlement was also offered by central government for 2021/22. High-level reviews of the Plan were carried out in February 2021 and February 2022 as part of the budget setting process. These noted that a more fundamental review of the Plan was difficult in the absence of a multi-year Settlement or Spending Review, which was delayed by government for another year due to the pandemic. The key messages from the Plan are communicated to all employees. The Corporate Peer Challenge specifically noted the need for an updated Medium Term Financial Strategy, and this has been incorporated into the 2022/23 Action Plan. This will take into account any long-term impact of COVID-19 as well as the likely impact of the Business Rates Review and Fair Funding Review, if known at that point.
- The Treasury Management Strategy is reviewed each year, as a result of the economic conditions and investments in Icelandic banks. We have continued to keep our Counterparty list under review, in liaison with our external advisors. Council received reports on our Treasury activity in October 2022 which provided an annual report for 21/22, mid-year review in November 2022, and a report regarding the Treasury Strategy & Budgetary Framework 2023/24 in February 2023.
- Effective financial management arrangements have been crucial during the financial year, noting the macro environmental factors. Key decisions were made by Cabinet (such as Bedworth Physical Activity Hub and Bedworth Civic Hall).

Risk Management

- The Council's Risk Management Strategy was last updated and approved by the Audit and Standards Committee in January 2022. Risks are managed using Strategic and Operational Risk Registers.
- The Audit and Standards Committee is responsible for monitoring the effective development and operation of risk management procedures across the Council.
- Overview and Scrutiny Panels receive quarterly reports on the risks within the Strategic Risk Register that are relevant to their area of responsibility. At the end of the financial year, they have sight of the full register.
- The Council insures against the risk of loss, particularly financial loss. The levels of cover and the excess amounts are continually reviewed and updated to reduce exposure to an acceptable level.
- Since 1st April 2016 the insurance service has been provided by Warwickshire County Council under a formal service level agreement and the Council also obtains strategic support, advice and risk management services from its appointed Insurance Broker (Arthur J. Gallagher (UK) Limited).

Internal Audit

- Internal Audit is an independent, objective assurance and consulting activity designed to add value and improve an organisations operation. It is responsible for monitoring the quality and effectiveness of the control environment comprising risk management, control, and governance.
- A risk model is used to formulate the internal and computer audit plans which are agreed by the Management Team and approved by the Audit and Standards Committee.
- Where necessary, internal audit will identify areas for improvement and make recommendations and agree an action plan for Service Managers. A summary of the issues arising is presented to the Audit and Standards Committee. The last reports were considered by the Committee in July 2022 and November 2022.
- A review of the effectiveness of Internal Audit is completed annually; an external quality assessment was completed in January 2019, with the next review due during 2024, to ensure compliance with the Public Sector Internal Audit Standards. The overall conclusion was that the internal audit service complies with the Public Sector Internal Audit Standards and provides an efficient and effective service to the Council.

Transparency

- The government maintains a commitment to increasing transparency across central and local government in order to make data more readily available and enable residents to hold service providers truly to account. As a publicly funded organisation, Nuneaton and Bedworth Borough Council is equally committed to openness and accountability.
- In 2021-22, the council published a series of datasets in line with the Local Government Transparency Code 2015 and other transparency commitments including; senior staff salaries, organisation chart, spending on items over £500, credit card transactions, details of contracts (goods, services and works), register of Purchase Orders and also the adopted Pay Policy Statement. To promote transparency and wider engagement with council decisions, residents can use digital platforms such as; Facebook, Twitter, and YouTube to get updates from, and interact with, the authority.
- Cabinet approved in September 2023, the Borough Councils group Modern Slavery and Human Trafficking Annual Statement for the 2022/23 Financial Year.

Other Sources of Assurance

As stated above, reliance has been placed on other sources of assurance in 20221/232 with respect to the Head of Audit and Governance's opinion. Other sources of assurance have been obtained in year activity but also by reflecting on past opinions and the basis of these.

The Council commissioned its first Local Government Association (LGA) Corporate Peer Challenge (CPC) in September 2021. The LGA CPC report highlights a number of positive aspects in the way the Council operates, including our ambition and place leadership, our financial management track record and the relationship across the Councillors and Officers who make up the senior team. Importantly the LGA CPC report also identifies areas where the Borough Council can improve and an action plan was approved by Cabinet in November 2021. The LGA CPC Review Team conducted a "six month check-in" session in March 2022 to consider how the Council had responded to the September CPC and were impressed with progress made to date against our Action Plan. The key actions have been incorporated into the 2022/23 Action Plan and are shown, where appropriate, with an asterisk*.

The Council's External Auditors have met with the Section 151 Officer throughout 2022/23 and have also attended Audit and Standards Committee meetings. During this time, the External Auditor has not expressed any specific concern on the governance and/or financial arrangements operating within the Council.

Other examples of assurance obtained in year include:

- Completion of statutory returns, VAT returns, and grant claims, etc.
- Regular internal quality monitoring activities across many services
- Completion of annual development reviews of staff
- Regular performance, risk, contract and financial monitoring
- The annual Local Government Ombudsmen report.
- Completion of relevant mandatory training for all appropriate members of staff

Identifying the needs of Officers and Members

- The Council has continued to develop Senior Managers with specific key learning topics, including regular finance updates, delivered at away days and is embedding the council's values throughout the organisation.
- The Council's values now form part of the recruitment process and employee's annual development reviews.
- The Council has implemented a Corporate Training System, DELTA (Develop, Enhance, Learn, Train, and Accomplish) which holds all training courses including mandatory ones. The system holds employees individual training records and sends notifications for refreshers. This will give the Council a more effective method of ensuring all training, specifically mandatory, is up to date and will ensure that an attendance record is maintained.
- Employees are updated on corporate issues through regular communication updates, in addition to specific publications from Management Team, as well as annual finance updates and training opportunities.
- Corporate Governance Training for Elected Members takes place annually alongside annual programme of Elected Member training.
- An emerging issue, replicated on a national scale, relates to the Council's ability to recruit and retain qualified and experienced staff in key areas such as Finance, Planning & Environmental Health. The Corporate Peer Challenge also noted the issue and

made specific recommendation to develop a People Strategy and to streamline the recruitment process, focusing upon the many benefits of working for the Council. These points have been taken on board and have been added to the Action Plan for 2022/23.

Significant governance issues

Macro environmental factors as outlined in the statement have impacted on the Council, most notable interest rate rises, energy cost increases and cost pressures more generally which have required the Council to review service delivery in year.

An update on the action plan for 2022/23 is shown in the table below:

Action	Responsible Officer	Planned Completion Date	Status
Implement a Corporate Document Retention Policy	Head of Audit and Governance and Data Protection Officer	Outstanding	Rolled over to 2023/24
Corporate Governance Training Elected Members and Senior Manager	Head of Audit and Governance, and the Strategic Creditors and Procurement Manager and Data Protection Officer	Completed for Members on 27 th May 2021 & 13 th July 2021 Completed for Senior Managers on March 2022 Procurement, Accounts Payable, Contract Management, Gifts, Hospitality and Bribery:	Completed

		Completed for Members on 16 th June 2022. Completed for Senior Officers 16 th May 2022, 18 th May 2022, 24 th May 2022, 10 th June 2022, 7 th December 2022.	
Undertake training for the Audit and Standards Committee on the Statement of Accounts and Treasury Management	Head of Financial Services	June 2021	Completed
Undertake training for the Audit and Standards Committee on the roles of internal and external audit	Head of Audit and Governance	June 2021	Completed
Undertake training for the Audit and Standards Committee on dealing with complaints and hearings sub-committees	Director – Planning & Regulation	July 2021	Completed
Adoption of the new Code of Conduct for Elected Members	Director – Planning & Regulation	March 22	Completed

The review of the governance framework during 2021/22, together with the Corporate Peer Challenge undertaken by the Local Government Association has identified the following issues to be addressed in 2022/23:

Action	Responsible Officer	Planned Completion Date
Implement a Corporate Document Retention Policy	Data Protection Officer	Rolled over to 2023/24
Undertake training for the Audit and Standards Committee on the Statement of Accounts and Treasury Management	Head of Financial Services	February 2023
Undertake training for the Audit and Standards Committee on the roles of internal and external audit	Head of Audit and Governance	January 2023
Cyber essentials assessment undertaken and certified. PSN compliance obtained	Director - Customer and Corporate Services	Assessment completed and remedial work identified. Revised assessment to be undertaken 2023/24 Feb 2023
An updated Medium Term Financial Strategy needs to be considered by the Council prior to its budget setting process in February 2023	Director – Finance & Enterprise	November 2022
Ensure staff recruitment and retention is linked to the People Strategy and underlying policies	Director - Customer and Corporate Services	Linked to employment committee work. Tabled for 2022/23
Implement a Corporate Programme Management approach to further	Director – Regeneration & Housing	Implementation & officer training May 2022 to March 2023

improve Governance related to major projects		Full roll out April 2023
Review the remit of the Corporate Governance Group to take account of the Corporate Programme Management approach.	Director – Finance & Enterprise	December 2022
Contract & Financial Procedure Rules review & update	Director – Finance & Enterprise	CPRs: In progress – new Procurement Act coming into force. Please see bullet point 2 under “Financial Management arrangements”. FPRs: January 2023
Policy review to accommodate more agile working	Director - Customer and Corporate Services	The Employment Committee has received and will continue to receive employment policies for review, amendment and approval.
Asset review, especially use of the Town Hall	Director - Customer and Corporate Services + Director of Housing and Regeneration	Ongoing but the Council is in Negotiations to lease part of the Town Hall to a public sector partner.
Undertake a Residents’ Survey	Director - Customer and Corporate Services	Rolled forward to 2022/23.

Consider the effective and consistent use of appropriate data to inform decision making	Management Team	Ongoing
Complete the development of some of the key strategies e.g. Economic Development Strategy, Town Centre Strategy	Director – Regeneration & Housing	December 2022 Draft documents being consulted upon. Adoption in 2023/24
Finalise the new corporate plan and ensure this supports the priorities of the council, is widely consulted on with partners and communicated for clarity across the council	Director - Customer and Corporate Services	April 2022. Corporate plan adopted BABB.
Ensure key projects have a clear purpose i.e. maximise income generation opportunities, social value etc	Director – Regeneration & Housing	Linked to Corporate Programme Management approach – full roll out April 2023
Review the internal and external approach to communications to ensure this supports priorities and ambitions	Director - Customer and Corporate Services	LGA Communications review undertaken August 2022.
Local Code of Corporate Governance, Anti-Fraud and Bribery Strategy and Fraud Response Plan.	Head of Audit and Governance	March 2023.
Identify and implement a replacement for the previously titled TEN Performance Management System	Director - Customer and Corporate Services	March 2023.
Local Governance Transparency Code Requirements – to be reviewed and identify any not being published	Corporate Governance Group	March 2023.

We propose over the coming year to take steps to address the above matters to further enhance our governance arrangements. We are satisfied that these steps will address the need for improvements that were identified in our review of effectiveness. This Statement is intended to provide reasonable assurance on the strength of the authority's governance arrangements, although no system of control can provide absolute assurance against material misstatement or loss. The review of the control environment and governance framework has concluded that it is sound and fit for purpose and the actions needed above will ensure that further improvements are made. These issues will be addressed during 2022/23 and the action plan will be monitored by the Leadership Board.

Signed (Leader):

Councillor Kristofer Wilson.....

Date: XX.....

Signed (Chief Executive):

Brent Davis

Date: XX.....

Leader and Chief Executive on behalf of Nuneaton and Bedworth Borough Council