

Scrutiny & Overview Committee

Finance & Performance Working Group

Wednesday 18th November 2015 at 6.00pm
Lewes Room, Parkside, Chart Way, Horsham

Councillors: Stuart Ritchie (Chairman)
John Bailey
John Chidlow
Leonard Crosbie
Jonathan Dancer

Nigel Jupp
Brian O'Connell
Ben Staines
Michael Willett

You are summoned to attend the meeting to transact the following business

Tom Crowley
Chief Executive

Agenda

	Page No.
1. Apologies for absence	
2. To approve as correct the minutes of the meeting of the Working Group held on 26 th August 2015 (attached)	1
3. To receive any declarations of interest from Members of the Committee	
4. To receive any announcements from the Chairman of the Committee or the Chief Executive	
5. Finance and Performance, District Plan Priorities, and Key Projects for Quarter 2, 2015/16	5
6. Revisions to Horsham District Council's Procurement Code	57
7. Complaints, Compliments and Suggestions – Monitoring and Learning Report for Quarter 2	99
8. Analysis of requests made under the Freedom of Information Act and Environmental Information Regulations 2015	107
9. CenSus Join Committee Minutes held on 9 th September 2015	115

Terms of Reference for the Finance and Performance Working Group

- To scrutinise the Medium Term Financial Strategy to achieve a balanced budget, including the achievement of savings identified within it
- To monitor the Council's performance against the District Plan, the basket of key performance indicators and major projects list on a quarterly basis
- To review the monthly financial outturn report and identify areas of concern to Cabinet
- To identify areas of excellence and areas for improvement and refer to Business Improvement Working Group for consideration and note
- To request and receive reports/presentations on areas of concern regarding service performance or overspend/underspend
- To raise issues of concern with Cabinet following review by the Working Group
- To call Cabinet members to provide details of service performance to the working group or to Members of Scrutiny and Overview Committee
- To identify and, where necessary, question budget and performance targets, taking account of the prevailing economic conditions, pressures and assumptions used
- To review the impact of budget changes upon the delivery of corporate priorities
- To consider any other relevant performance and financial matters identified by the Scrutiny and Overview Committee

Notes of the Scrutiny and Overview Committee
Finance and Performance Working Group
26th August 2015

- Present:** Councillors: Stuart Ritchie (Chairman), John Bailey, John Chidlow, Leonard Crosbie, Ben Staines, Michael Willett
- Apologies:** Councillors: Jonathan Dancer, Nigel Jupp, Brian O'Connell
- Also present:** Councillor: Brian Donnelly
- Officers:** Katharine Eberhart, Director of Corporate Resources
Haley Aitchison, Customer Services Officer
Mark Pritchard, Commissioning and Performance Manager
Dominic Bradley, Head of Finance

1. TO APPROVE AS CORRECT THE RECORD OF THE FINANCE AND PERFORMANCE WORKING GROUP MEETING ON 18TH JUNE 2015

The notes of the Finance and Performance Working Group meeting held on 18th June 2015 were approved as a correct record of the meeting.

2. TIME OF MEETINGS

That 6.00pm as the time of the meetings for the ensuing Council year was approved.

3. TO RECEIVE ANY DECLARATIONS OF INTEREST

There were no declarations of interest.

4. ANNOUNCEMENTS FROM CHAIRMAN OR CHIEF EXECUTIVE

There were no announcements.

6. COMPLAINTS, COMPLIMENTS AND SUGGESTIONS – MONITORING AND LEARNING REPORT FOR QUARTER 1

The Customer Services Officer presented the report Complaints, Compliments and Suggestions – Monitoring and Learning Report for Quarter 1.

The Working Group noted the figures for the quarter which were detailed in the report. The Council had recently implemented a new system in which statistics for compliments, complaints and suggestions would be recorded in much greater detail.

The Members noted the complaints figures for the quarter, along with the annual figures.

The report detailed a breakdown of the figures for the Working Group.

**7. REPORT ON THE COUNCIL'S FINANCE AND PERFORMANCE,
DISTRICT PLAN PRIORITIES AND KEY PROJECTS FOR QUARTER
1 2015/16**

The Director of Corporate Resources presented the report on the Council's Finance and Performance, District Plan Priorities and Key Projects for Quarter 1 2015/16.

This report detailed the finance and performance figures for Quarter 1 2015/16. A small projected overspend was reported, which would be recovered during the year.

The Working Group discussed the presentation of the report on the Council's Finance and Performance and requested some changes to the format. Members asked that the report on the District Plan Priorities include a summary on the capital budget and a summary on income and expenditure also be included at the beginning of the report. The detailed analysis of variances would be included after the summary reports.

The Chairman also suggested that the other reports on Complaints, Compliments and Suggestions, Freedom of Information, Key Projects and CenSus are included to note, and that the Working Group Members raise any questions or comments about agenda items by the Monday preceding the meeting to allow officers to respond with answers at the meeting..

The Director of Corporate Resources talked the Working Group through the Budget and Key Performance Indicators.

Members proposed inviting the Cabinet Member for Waste Recycling and Cleansing to the next meeting to discuss a number of issues regarding the Council's refuse collection fleet including the time frame for replacing the fleet of refuse collection vehicles, the construction of a new depot and the future of trade waste. Members stated that both income and a target value for trade waste customers should be included in future reports.

Members requested that further information be included on DP09 Percentage of Planning Appeals Allowed.

Members asked for an update on Section 106 monies, including amounts spent and outstanding monies, at the next meeting.

8. **MEMBER OVERVIEW OF THE COUNCIL'S USE OF THE
REGULATION OF INVESTIGATORY POWERS ACT 2000**

The Working Group noted that the Council had not used the powers under the Regulation of Investigatory Powers Act 2000 (RIPA) in the past quarter.

Members questioned whether this item should be included in Business Improvement Working Group agendas instead of Finance and Performance Working Group, the Scrutiny and Committee Support Officer would report back to the Chairman on the requirements set by the Scrutiny and Overview Committee as to how the use of RIPA be reviewed.

The meeting ended at 7.25 p.m. having commenced at 5.30 p.m.

CHAIRMAN

Report to Finance and Performance Working Group

Date of meeting 18th November 2015

By the Director of Corporate Resources

INFORMATION REPORT

Not exempt



**Horsham
District
Council**

REPORT ON HDC'S DISTRICT PLAN PRIORITIES AND FINANCE AND PERFORMANCE FOR QUARTER 2 2015/16

Executive Summary

This reports progress against the interim District Plan. Priorities where there has been significant progress over the last quarter include plans for the Broadbridge Heath Leisure; adoption of the Horsham District Planning Framework and the redevelopment of the Hop Oast Depot.

Financial performance is on target for the second quarter of 2015/16. Key income areas are performing well and income from planning fees and green waste for example are running ahead of budgeted levels. We are though projecting an overspend of £129k which reflects estimated additional costs as a result of £330k of planning appeal costs being recently awarded against the Council, which are under negotiation.

An analysis of performance demonstrates that 64% (21) of indicators met or exceeded targets set; 24% (8) were close to target, and 12% (4) fell outside of the target range.

Positive improvement over the previous quarter was seen for major planning applications determined at 96.3% against target of 80%. The percentage of FOI requests responded to within 20 days is above target at 95%.

Recommendations

It is recommended that Members note the contents of this report.

Reasons for Recommendations

Performance Indicators are provided as part of the duty of Best Value to drive up service improvement.

Consultation: SLT

Wards affected: All

Contact: Gillian Bloomfield ext. 5450

Background Papers:

Appendix A: Q2 2015/16 District Plan Priorities (Year 5)

Appendix B: Q2 Revenue Summary

Appendix C: Q2 Balance Sheet

Appendix D: Q2 Capital Budget Monitoring

Appendix E: Q2 Monitoring of Budget and Key Performance Indicators Report

Appendix F: Key Tracked Projects reporting (Year 5)

Background Information

1. MONITORING OF PERFORMANCE

- 1.1 The Working Group meets on a quarterly basis to deal with the main items of regular business for both finance and performance matters. The Working Group reviews progress in meeting the District Plan priorities, financial performance and key performance indicators and progress reporting for major projects.

2. MONITORING OF DISTRICT PLAN PRIORITIES 2015/16

- 2.1 The District Plan Priorities monitoring report for Quarter 2, 2015/16 is appended to this report at Appendix A. This reports progress against an interim District Plan. Work is being undertaken with the Cabinet, SLT and Service Managers to determine the District priorities for 2016 and beyond, with adoption of the new plan anticipated at the end of 2015.
- 2.2 Priorities where there has been significant progress over the last quarter include plans for the Broadbridge Heath Leisure; adoption of the Horsham District Planning Framework and the redevelopment of the Hop Oast Depot.

3. FINANCIAL PERFORMANCE

- 3.1 The balance sheet, provided at Appendix B, sets out the position from 31 March 2015. There are no material changes to this position that would affect the understanding of balance sheet which had net assets of £111m. We aim to provide an updated position at Quarter 3 reflecting the delivery of our capital programme.
- 3.2 At £3.3m, the cumulative spend on capital at quarter two is only 11% of the full year planned capital programme which is now £29.9m with the addition of the £5m property investment fund since the last monitoring report. The capital outturn is forecast at £12m. It is recognised that schemes will not progress as far as expected in this financial year. In total, £17.9m (60%) will slip into 2016/17. The detailed capital programme is provided at Appendix D.
- 3.3 Work on the £4.5m Hop Oast depot redevelopment will not now commence until early 2016 and the £3.5m in the 2015/16 capital plan will slip into 2016/17. The plans for the Broadbridge Heath Leisure centre have been revised since the 2015/16 capital programme was set and the current budget of £1m for 2015/16 will slip into 2016/17 as part of the overall plan for the leisure centre. The purchase and build of temporary accommodation at the Bishopric has slowed because of physical issues on site that need to be dealt with by the developer and £1.2m has slipped into 2016/17. The £7m loan for a third party housing association is expected to slip into 2016/17 as it is dependent on the third party submitting planning. In addition, full use of the £5m commercial property investment fund is unlikely to occur before year-end as property and facilities search for the right opportunities to expand the Council's property portfolio.
- 3.4 The second quarter financial projections for revenue are largely in line with forecast budgets. The net revenue expenditure position is £4.18m but we are projecting an overspend of £129k which reflects estimated additional costs as a result of £330k of planning appeal costs recently awarded against the Council, which are under negotiation. Appendix B sets out the actual gross and net income and expenditure

outturns against the revenue budget and forecasts. The detail can be found in Appendix E.

- 3.5** Cumulative gross income is £10.59m and forecast to be £368k higher than budget at year-end. Despite some areas where income is lower than budgeted such as the rent reduction at Rookwood, our key income areas are performing well and income from planning fees and green waste for example are running well ahead of budgeted levels. The income figures include external monies received to fund 2015/16 activities and income invoiced in advance, for example green waste and trade refuse charges and rents. However, we remain concerned about the impact of the new parking at John Lewis/Waitrose will have on our parking income.
- 3.6** Cumulative gross expenditure is £14.77m and forecast to be £497k over spent at the year-end which reflects estimated additional costs as a result of £330k of planning appeal costs recently awarded against the Council, which are under negotiation. Staffing costs are currently £144k (1.8%) below budget at Q2. However, the saving on vacancies of £663k are offset by higher than budgeted overtime (£50k overspend), agency (£107k overspend) and temporary staffing (£362k). It is anticipated that the present staffing costs position will be broadly similar at out-turn.
- 3.7** Overspends on expenditure are being monitored and the year-end forecast position reflects officers taking action to mitigate and reduce overspend where possible. However, the year-end forecast outturn will include some overspends such as the £32k overspend on leisure centre legacy repairs that will not reduce. Some costs such as those on higher consultancy costs £130k for planning and development will be offset from higher planning fees income. Appeal costs paid in quarter 2 totalled £61k, of which £50k were costs of appeals and £11k were adverse costs awarded.

4. Performance Monitoring

- 4.1** An analysis of performance demonstrates that 64% (21) of indicators met or exceeded targets set; 24% (8) were close to target, and 12% (4) fell outside of the target range.
- 4.2** Areas where targets have not been met include speed of processing changes to circumstances of Council Tax Support Scheme claims. Performance is below the revised target of 10 day at 11.3 days. Any CT collection/enforcement action is suspended pending decisions.
- 4.3** The cost of planning appeals continues to be an area of concern and a further performance measure is being reported on to identify the number of planning appeals cost awards.
- 4.4** At current trends a 12.5% turnover is predicted for the year, against a 10% target. With job mobility still on the rise, turnover pressures will continue.
- 4.5** Positive improvement over the previous quarter was seen for major planning applications determined at 96.3% against target of 80%. The percentage of FOI requests responded to within 20 days is above target at 95%.

- 4.6** Other performance measures with positive outcomes include: the number in temporary accommodation and in Bed and Breakfast accommodation which dropped the previous quarter, remain consistent; attendances at the Museum were well above target; staff sickness was below 8 days.

5 OUTCOME OF CONSULTATIONS

- 5.1** SLT have considered the review of Financial Monitoring and Key Performance Indicators; the Tracked Key Projects Report and District Plan Priorities for 2015/16.

6. OTHER COURSES OF ACTION CONSIDERED BUT REJECTED

- 6.1** Not appropriate; Council needs to be seen to effectively monitor its performance.

7. STAFFING CONSEQUENCES

- 7.1** There are no staffing consequences associated with this report.

8. FINANCIAL CONSEQUENCES

- 8.1** There are no direct financial consequences as a result of this report

Appendix 1

Consequences of the Proposed Action






What are the risks associated with the proposal? Risk Assessment attached Yes/No	None
How will the proposal help to reduce Crime and Disorder?	Managing finance and performance will help identify areas where the Council can provide better crime and disorder reduction initiatives
How will the proposal help to promote Human Rights?	Managing finance and performance will help identify areas where the Council can promote Human rights initiatives
What is the impact of the proposal on Equality and Diversity? Equalities Impact Assessment attached Yes/No/Not relevant	Service and performance improvements will ensure that our work reaches out to more local residents and meet the requirements as set out by the Equality Act 2010. No Equality Impact Assessment (EIAs) required at this level (EIAs will be carried out at more strategic opportunit
How will the proposal help to promote Sustainability?	Performance against sustainability issues are reviewed regularly through Performance Management Working Group






Statutory and Policy Background

Statutory Background	'Best value' (Local Government Act 1999) is the statutory basis on which councils plan, review and manage their performance in order to meet the needs and expectations of their citizens who use their services. The aim is to deliver continuous improvement in all their services. The principles involve local accountability, breaking departmental and organisational boundaries, partnership, performance measurement and management, comparability and continuous improvement
Relevant Government policy	Duty of Best Value. 'Taking the Lead' and 'Sector Led Improvement'. The LGA is to maintain an overview of the performance of the sector in order to identify potential performance challenges and opportunities
Relevant Council policy	The Performance Management Framework, 'Performing to Win', supports how we will achieve this.

APPENDIX A: District Plan Priorities Reporting Qtr 2 2015/16


We are currently in Year 5 of an extended 4 Year Corporate Plan – the Interim Year 5 District Plan. Progress against the District Plan is reported across 6 themes: Economic Development; Efficiency and Taxation; Arts, Heritage and Leisure; Living, Working Communities; Environment; Safer and Healthier


Symbols Used				
				
Not Started	On Track	Keep eye on	Issues	Completed




District Plan Theme	District Plan Priorities Strategic Objectives			Portfolio Holder	Lead Officer	Status
	2015/16 - Year 5	Qtr. 2 Update	Due Date			
Theme 1: Economic Development <i>Plan for a successful local economy with high levels of employment</i>	1. Deliver the Horsham Economic Strategy Action Plan. Identify key projects arising from the completed strategy.	New Horsham Economic Strategy will begin following the start of the new Economic Development Manager on 1 st Dec 2015. Ongoing projects include the Journey to Work scheme; the Food and Drink Festival, MicroBiz and the events programme. A key priority is also to develop and maximise sources of external funding	31 Mar 2016	Cllr Gordon Lindsay	Lead Officer: Chris Lyons	
	2. Support the delivery of suitable alternative uses for the Novartis site including a significant employment use following its closure in July 2014.	We are continuing to work closely with Novartis about the future employment use of their site.	31 Mar 2016	Cllr Gordon Lindsay	Lead Officer: Tom Crowley	
	3. Develop priorities for the rural economy through the Rural West Sussex Partnership.	Specific priorities are being developed, to be actioned moving into 2015/16. The continuation of the existing 2 year agreement (which expires Mar 2016) is being sought.	31 Mar 2016	Cllr Gordon Lindsay	Lead Officer: Chris Lyons	
	4. Develop and deliver the Horsham Town Vision. This will include key sites such as the Bishopric, Piries Place and other sites.		31 Mar 2016	Cllr Gordon Lindsay	Lead Officer: Chris Lyons	
	<ul style="list-style-type: none"> Work with landowners, developers and stakeholders to prepare an integrated set of proposals for the Horsham Town Vision 	<ul style="list-style-type: none"> Briefing to be organised for Members by end Dec 2015 	Ongoing	Cllr Gordon Lindsay	Lead Officer: Chris Lyons	
	<ul style="list-style-type: none"> Subject to outcome of BID Feasibility Study, work with Horsham Unlimited to implement a Business Improvement District 	<ul style="list-style-type: none"> Horsham Unlimited is assembling a project board for the development of a Horsham BID following a Feasibility Study recommendation to proceed. 	31 Mar 2016	Cllr Gordon Lindsay	Lead Officer: Chris Lyons	


	for Horsham town					
	<ul style="list-style-type: none"> Agree a plan and programme for marketing Horsham Town 	Initial proposals received from consultants, to be developed further. Implementation is subject to funding proposals within HDC	31 Mar 2016	Cllr Gordon Lindsay	Lead Officer: Chris Lyons	
	<ul style="list-style-type: none"> Develop an improvement action plan to cover all HDC Town Centre car parks. Increase visitor use and dwell time in car parks 	Town Centre survey has been completed and analysed. The development of the Town Centre improvement action plan is well advanced	Autumn 2015	Cllr Gordon Lindsay	Lead Officer: Natalie Brahma-Pearl	


District Plan Themes	District Plan Priorities Strategic Objectives			Portfolio Holder	Lead Officer	Status
	2015/16 - Year 5	Qtr. 2 Update	Due Date			
Theme 2: Efficiency & Taxation <i>Delivering excellent value and high performance</i>	1. Develop and deliver the Business Transformation programme:		31 Mar 2016	Cllr Ray Dawe	Lead Officer: Tom Crowley Support: Natalie Brahma-Pearl	
	<ul style="list-style-type: none"> Expand the Customer First Programme and expand digital delivery 	Generic calls for Parking Services are to be handled in the Corporate Contact Centre from Wednesday 4 th November.	Dec 2015			
	<ul style="list-style-type: none"> Implement the Commissioning Framework 	Outsourcing residual facilities management functions has been completed via a tender exercise and will deliver a more flexible and responsive service within the new service environment. The Commissioning Manager and the Project Assurance Manager are developing a Commissioning and Project Management plan in association with the SLT. Some major projects have been already identified and business cases are being developed.	31 Mar 2016			
	<ul style="list-style-type: none"> 2. Review and refine the Medium Term Financial Strategy (MTFS) for 2016/19 and action plan 	Updated MTFS forecasts reported to Cabinet 23 th July 2015. SLT working with Cabinet and service managers to identify potential ways to increase income and reduce costs. MTFS and 2016/17 budget will be firmed up during autumn.	Ongoing	Cllr Brian Donnelly	Katharine Eberhart	

District Plan Themes	District Plan Priorities Strategic Objectives			Portfolio Holder	Lead Officer	Status
	2015/16 - Year 5	Qtr. 2 Update	Due Date			
Theme 3: Arts, Heritage & Leisure <i>Build an arts, leisure and culture reputation that also supports our economy</i>	1. Master plan for Broadbridge Heath Quadrant including new or remodelled leisure centre, relocation of athletics track and disposal of surplus land to generate funds.	Project includes: overall programme; new leisure centre, and land disposal. Progress on this project is dependent upon achieving a number of associated enabling projects. Five options for the redevelopment of the Centre have been considered and the emerging preference is Option 3, the business case for which is being taken forward in a report to Cabinet for agreement on 23rd November 2015. The athletics track will be retained at the current site until a suitable alternative location has been agreed.	Ongoing	Cllr Jonathan Chowen Cllr Brian Donnelly	Lead Officer: Natalie Brahma-Pearl Support: Trevor Beadle	




District Plan Themes	District Plan Priorities Strategic Objectives			Portfolio Holder	Lead Officer	Status
	2015/16 - Year 5	Qtr. 2 Update	Due Date			
Theme 4: Living, Working Communities <i>Working together to support the life of local communities</i>	1. Secure adoption of Horsham District Planning Framework (HDPF). Begin implementation of key sites/allocations	The Planning Inspector's <u>Final Report</u> (dated 8 October 2015) on the examination into the Council's Horsham District Planning Framework concludes that the Plan, together with the modifications, is sound. An Extraordinary Council meeting has been arranged for 19 th November to discuss this further.	Ongoing into 2015/16	Cllr Claire Vickers	Lead Officer: Chris Lyons Support: Barbara Childs	
	2. Community Infrastructure Levy (CIL) Scheme to be developed and submitted with procedures and systems in place	Work is continuing on CIL and it is anticipated that consultation on the draft charging schedule will take place early in 2016, followed by Examination by an Independent Planning Inspector. See projects below.	Ongoing into 2015/16	Cllr Claire Vickers	Lead Officer: Chris Lyons Support: Barbara Childs	
	3. Develop a strategy for enabling the delivery of affordable housing	A new strategy cannot be developed until the contents of the Govt's Housing Planning Bill are known. An Interim Strategic Statement is being prepared, following on from HDC's housing Policy Document – Housing to Meet Local Need – for adoption early in 2016.	Jan 2016	Cllr Philip Circus	Lead Officer: Natalie Brahma-Pearl Support: Andrew Smith	

District Plan Themes	District Plan Priorities Strategic Objectives			Portfolio Holder	Lead Officer	Status
	2015/16 - Year 5	Qtr. 2 Update	Due Date			
Theme 5: Environment <i>A better environment for today and tomorrow</i>	1. Deliver a marketing and educational programme to increase the recycling rate, improve the quality of recycled material collected and reduce litter.	This externally funded project is running throughout 2015/16.	31 Mar 2016	Cllr Roy Cornell	Lead Officer: Natalie Brahma-Pearl	
	2. Undertake a Waste Service review to ensure that costs are minimised and income maximised.	This is a long term review which will continue through 2015/16.	31 Mar 2016	Cllr Roy Cornell	Lead Officer: Natalie Brahma-Pearl	
	3. Deliver an improved waste depot at Hop Oast	Hurston Lane depot is to be closed and facilities consolidated onto a single site at Hop Oast. A project team has been set up and technical project manager appointed who is leading the professional team to develop and submit planning application by Dec 2015. Completion Autumn 2017.	Completion Autumn 2017	Cllr Roy Cornell	Lead Officer: Natalie Brahma-Pearl Support: Brian Elliott	

District Plan Themes	District Plan Priorities Strategic Objectives			Portfolio Holder	Lead Officer	Status
	2015/16 - Year 5	Qtr. 2 Update	Due Date			
Theme 6: Safer & Healthier <i>Improving health and well being</i>	1. Co-ordinate the Think Family Programme in Horsham District including leading partner action in the Think Family Neighbourhoods.	Think Family Neighbourhood Work has transitioned to a new model working across the District, able to develop projects with communities in response to any of the six Think Family themes, where they are relevant. Think Family Neighbourhood supported projects include WISH (Work Information Support Hub) and Substance Misuse Support for young people provided by Horsham Matters. Funding for Think Family Neighbourhoods from phase 1 still remains within the District Council's reserve and is being allocated to appropriate projects. Funding for phase 2 Think Family Neighbourhood Projects is available from West	31 Mar 2016	Cllr Kate Rowbottom	Lead Officer: Natalie Brahma-Pearl Support: Trevor Beadle	

District Plan Themes	District Plan Priorities Strategic Objectives			Portfolio Holder	Lead Officer	Status
	2015/16 - Year 5	Qtr. 2 Update	Due Date			
		Sussex County Council and can be applied for by the District Council to support relevant initiatives.				
	3. Work towards making better use of the facilities at Horsham Hospital and best possible health services across the District.	HDC is working towards improving primary care access HDC is working closely with the CCG to ensure HDC Health and Wellbeing hub is fully integrated and managed.	31 Mar 2016	Cllr Kate Rowbottom	Lead Officer: Natalie Brahma-Pearl Support: Trevor Beadle	

Completed Priorities at the end of Q2

District Plan Themes	District Plan Priorities Strategic Objectives			Portfolio Holder	Lead Officer	Status
	2015/16 - Year 5	Qtr. 2 Update	Due Date			
Theme 2: Efficiency & Taxation	Relocate HDC offices	All staff and operations from Park North, Park House and North Point have now moved to Parkside. Project completed on time and on budget.	June 2015	Cllr Ray Dawe	Lead Officer: Tom Crowley Support: Katharine Eberhart	
Theme 2: Efficiency & Taxation	Implement EDRMS (Electronic Document Retention Management Systems) projects	The services identified to facilitate the Parkside move, plus extra demands from existing ones, for example Development Management and HR have been completed.	Aug 2015	Cllr Ray Dawe	Katharine Eberhart	
Theme 3: Arts, Heritage & Leisure	Deliver improvements to Southwater Country Park.	New Dinosaur Island Adventure Play Area was opened in July 2015. Car parking has been extended and pathways resurfaced.	31 Mar 2016	Cllr Jonathan Chowen	Lead Officer: Natalie Brahma-Pearl Support: Trevor Beadle	

Revenue Summary for April to September Q2 cumulative

Appendix B

Department	Gross spend (£000s)	Gross spend as % of annual spend budget	Gross income (£000s)	Gross income as % of annual income budget	Net Spend (£000s)	Comparison net spend to Q2 2014/15 (£000s)	Forecast over/(under) spend (£000s)
CORPORATE MANAGEMENT	377	49%	0	n/a	377	301	0
BUSINESS TRANSFORMATION	145	49%	(0)	n/a	144	179	0
COMMUNICATIONS	163	40%	(12)	33%	152	169	7
AUDIT	96	51%	0	n/a	96	97	(9)
COMMISSIONING	135	42%	(13)	31%	121	95	0
LEGAL & DEMOCRATIC	781	55%	(57)	89%	724	650	0
FINANCE CORPORATE	191	51%	(131)	61%	60	202	16
FINANCE ACCOUNTANCY	483	54%	(3)	34%	479	419	32
HUMAN RESOURCES & ORG DEVELOPMENT	242	47%	(3)	12%	239	252	13
HDC ICT	495	41%	(19)	40%	475	558	(10)
COMMUNITY & CULTURE	50	32%	0	n/a	50	45	(31)
COMMUNITY DEVELOPMENT	636	51%	(370)	57%	267	153	(41)
COMMUNITY SAFETY	186	45%	(84)	41%	102	93	0
MUSEUMS	123	47%	(26)	85%	96	102	(2)
CAPITOL	770	47%	(751)	59%	20	65	33
LEISURE SERVICES	613	58%	(319)	43%	293	23	121
PARK & COUNTRYSIDE	759	52%	(172)	52%	587	450	47
STREET SCENE & FLEET	1,524	51%	(66)	47%	1,459	1,435	(8)
WASTE & RECYLING	1,500	44%	(2,499)	79%	(999)	(530)	(74)
PARKING SERVICES	997	59%	(1,976)	53%	(979)	(967)	34
ENVIRONMENTAL SERVICES/LICENSING	519	48%	(200)	64%	319	292	(20)
CUSTOMER SERVICES	174	47%	0	n/a	174	168	(9)
HOUSING	599	45%	(534)	51%	65	80	6
BUILDING CONTROL	379	48%	(342)	40%	37	11	(24)
DEVELOPMENT	1,144	56%	(839)	55%	305	286	132
SPATIAL PLANNING	409	53%	(81)	146%	328	324	18
PROP & FACILITIES - ADMINISTRATION	364	47%	0	0%	364	403	0
PROP & FACILITIES - INVESTMENT PROPERTIES	190	33%	(1,976)	69%	(1,785)	(1,738)	(3)
PROP & FACILITIES - OPERATIONAL PROPERTIES	426	57%	(47)	276%	379	266	(84)
ECONOMIC DEVELOPMENT	300	53%	(72)	65%	228	178	(15)
Totals	14,768	50%	(10,591)	60%	4,177	4,061	129

Horsham District Council
Balance Sheet 31 March 2015

APPENDIX C

	£'000	£'000
Property, Plant and Equipment		
- Other Land and Buildings	79,741	
- Vehicles, Plant, Furniture & Equipment	3,419	
- Assets under construction/Awaiting Development	801	
Heritage Assets	709	
Investment Property	30,085	
Intangible Assets	375	
Long-term Debtors	34	
Long-term Investments	2,000	
TOTAL LONG TERM ASSETS		117,164
Short - Term Investments	12,001	
Inventories	129	
Short Term Debtors	4,943	
Cash and Cash Equivalents	10,835	
CURRENT ASSETS		27,908
Short Term Creditors	-9,881	
CURRENT LIABILITIES		-9,881
Provision for Corporate Restructure	-138	
Provision for Accumulated Absences	-128	
Provision for Business Rates Appeals	-1,693	
Long Term Borrowing	-4,000	
Other Long Term Liabilities		
- Pension Asset/(Liability)	-13,412	
- War Memorial Fund	-2	
- Other Balances	-3,747	
Capital Grants & Receipts in Advance	-1,220	
LONG TERM LIABILITIES		-24,340
NET ASSETS		110,851
Usable Reserves		
- Reserves	-16,178	
- Capital Receipts Reserve	0	
- Capital Grants & Contributions Unapplied	-5,673	
Unusable Reserves		
-Revaluation Reserve	-19,631	
-Pensions Reserve	13,412	
-Capital Adjustment Account	-83,514	
Financial Instrument Available for Sale Reserve	-84	
-Financial Instrument Adjustment Account	-98	
-Collection Fund Adjustment Account	787	
-Accumulating Absences Adjustment Account	128	
TOTAL RESERVES		-110,851

CAPITAL BUDGET MONITORING Mid Year 2015/16
Appendix D

Capital projects	Department	Capital budget for project where multi-year project	Net expenditure in 2015/16	2015/16 Budget	Spend as % of 15/16 budget	Forecast outturn	Spend as % forecast outturn	Comment
Existing Leisure Centres	Property & Facilities	£2.1m	422,687	695,531	61%	550,418	77%	Spend relates mainly to the Pavillions and Steyning swimming pools. The Leisure Facilities general budget (£200k) is not expected to be used.
Broadbridge Heath Leisure Centre - new build	Property & Facilities	£7.4m	55,920	1,098,628	5%	100,000	56%	Spend to date is for Feasibility study fees. Plans for the leisure centre build are under review and the capital programme will be updated to reflect this once a decision is made.
Other Community and Culture projects	Comm and Culture	Multiple projects.	365,622	1,086,456	34%	998,984	37%	Expenditure includes: Southwater Dinosaur Island & car park (£176k); loan to Henfield Leisure Centre for soft play area (£70k) and HDC contribution towards Traveller Transit site, Chichester (£73k). The latter was less than expected.
Hop Oast depot development	Waste & Recycling	£4.55m	11,435	3,600,110	0%	125,000	9%	Spend to date is for preparatory work. Total budget of £4.55m, approved by Council, 2014/15 £0.02m, 2015/16 £0.13m and 2016/17 £4.4m. The budget includes provision for new Depot and workshop facility and for the temporary relocation of services currently based at Hop Oast while the new depot is constructed.
Vehicle Fleet	Streetscene & Fleet	Ongoing replacement programme	-	1,442,000	0%	672,000	0%	Budget based on latest estimate of spend on vehicles and is part of the ongoing replacement programme: 2016/17 : £1.7m; 2017/18 £3m; 2018/19 £0.6m.
New Parking payment system	Parking Services	£0.23m	1,985	-		1,985	100%	Spend is for final 10% for additional machine in Swan Walk.
Grants - Environmental health	Envir Health & LM	annual	258,351	838,000	31%	838,000	31%	Spend mostly demand led
Housing Enabling Grants	Housing	Ongoing programme	1,414,000	2,665,000	15%	1,914,000	74%	Spend (using S106 Affordable Housing receipts) is for 2 grants: Saxon Weald (£1.35m for Alley Groves, Cowfold) and Affinity Sutton (£64k for Penn Retreat, Ashington).
Housing Affordable Housing Loan	Housing	£7m	-	7,000,000	0%	-	0%	£7m for Housing Services - Saxon Weald Loan. This is expected to slip to 2016/17 as dependant on another scheme for planning being submitted.
ICT projects - HDC	Resources ICT	Ongoing programme	23,531	361,331	7%	161,331	15%	The ICT Projects general budget (£200k) is not expected to be used.
ICT projects - Census	Resources ICT	Ongoing programme	62,763	114,275	55%	114,275	55%	Majority of spend is for Census Server replacement
Car Parks Fabric and Equipment	Property & Facilities	£0.9m	10,010	853,223	1%	216,250	5%	Current spend is mainly fees associated with Piries Place Car Park lift. Work to improve car park lighting and replace Piries Place and Forum lifts will now take place in 2017/18 (when more daylight hours).
Office move	Property & Facilities	£1.1m	618,790	655,746	94%	655,745	94%	Budget is carried forward amount. Total Project budget (capital element) is £1.1m and continues to be tracked as part of the ongoing project reporting process. The Project is expected to close during Q4 2015.
Town centre improvements	Property & Facilities	£0.36m	52,455	216,735	24%	216,735	24%	Expenditure is for West Street improvements
Commercial Property Investment Fund	Property & Facilities	£5m	-	5,000,000	0%	2,500,000	0%	Supplementary estimate agreed at Cabinet meeting (9th Sept 2015). To allow the expansion of the Council's property portfolio in order to increase the contribution to revenue (anticipated that purchases would normally achieve a 6% return). Expected spend circa £2.5m 2015/16 and £2.5m 2016/17.
Miscellaneous properties spend	Property & Facilities	Ongoing programme	6,901	4,314,886	0%	2,929,886	0%	Budget includes £2.9m for site acquisition and build of Temporary Accommodation (Bishopric). Expected that £1.7m will be incurred in 2015 and £1.2m in next financial year. Full £2.9m will be funded by S106 Affordable Housing receipts.
Total			3,304,450	29,941,921	11%	11,994,609	28%	

Net expenditure excludes Capitalised Salaries that are apportioned to capital schemes.

Combined Finance & Performance Summary 2015/16, Quarter 2

Appendix E

Index - These are the main areas of Service Delivery (not all)

Corporate Overview

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Corporate Overview: Headline Financial Summary

	Net spend Qtr 2 2014/15 £000s	Actual net spend Qtr 2 2015/16 £000's	% of Annual Budget	Forecast (Under) / Over £000's
Gross Revenue Spend	14,264	14,768	50%	497
Gross Revenue income	(10,203)	(10,591)	61%	(368)
Net Revenue Spend*	4,061	4,177	34%	129
Capital Budget	n/a	3,300	11%	£17.9m slippage

- Figures exclude Census ICT and Census Revenues and Benefits

Revenue:

The second quarter financial projections are largely in line with forecast budgets. We are projecting an overspend of £129k.

Key income areas are performing well and income from planning fees and green waste for example are running ahead of budgeted levels. Gross income is forecast to be £368k higher than budget at year-end. However, we remain concerned about the impact of the new parking at John Lewis/Waitrose will have on our parking income. In addition we are anticipating further costs (estimated at £330k) for costs awarded against us for planning appeals. Staffing costs are currently 1.8% below budget at Q2.

Capital Budget:

At £3.3m, the cumulative spend at quarter two is a small proportion 11% of the full year planned capital programme which is now £29.9m with the addition of the £5m property investment fund since the last monitoring report. The capital outturn is forecast at £12m as it is recognised that schemes will not progress as far as expected in this financial year. £17.9m (60%) and will slip into 2016/17.

Corporate Overview: Headline Performance Summary



64% On target



24% Close to target



12% Outside target range

Key performance indicators:

Positive improvement over the previous quarter was seen for major planning applications determined at 96.3% against target of 80%. The percentage of FOI requests responded to within 20 days is above target at 95%.

Other performance measures with positive outcomes include: the number in temporary accommodation and in Bed and Breakfast accommodation which dropped the previous quarter, remain consistent; attendances at the Museum were well above target; staff sickness was below 8 days

Areas where targets have not been met include speed of processing changes to circumstances of Council Tax Support Scheme claims. Performance is below the revised target of 10 day at 11.3 days. Any CT collection/enforcement action is suspended pending decisions.

The cost of planning appeals continues to be an area of concern and a further performance measure is being reported on to identify the number of planning appeals cost awards.

Director of Planning, Economic Development and Property

Service Area: Building Control

Overview:

The last 6 months has seen resourcing difficulties due to recruitment gaps with a reliance on agency staff and overtime to keep on top of the workload. Two senior BCO posts and 1 BCO post have now been filled with officers starting in October and November.


Application numbers have remained consistent but there has been a spike in new dwelling applications from major housebuilders. Fee income has dipped slightly in Horsham but overall trend is above target.

Finance:

Gross spend (£000's)	Gross spend as % of annual spend budget	Gross income (£000's)	Gross income as % of annual income budget	Net spend (£000s)	Comparison net spend Q2 2014/15 (£000's)	Forecast over/(under) net spend (£000)
379	48%	(342)	40%	37	11	(24)

(xxx) denotes underspend or income

Performance:

Code	Short Name	Q1 2015/16	Q2 2015/16			Notes
		Value	Value	Target	Status	
BC03	Building Control Fee Income Received	£145,845	£265,553	£264,894		Volumetric Cabinet Member: Cllr Vickers

Service Area: Development Management

Overview:

The performance of the department has improved significantly and the determination of planning applications has exceeded all targets, with Minor applications at 74% (65% target), Other applications 80.6% (80% target) and Major applications at 96% (80% target). This is in addition to the significant amount of applications determined outside of the formal reporting process, such as Prior Approvals, Approval of Condition Details etc.

The % of allowed appeals is above the 30% target at 40%. This is predominately due to the weight being attributed to the emerging Horsham District Planning Framework (HDPF), and the LPA giving this an increased level of weight than most PINS Inspectors. This should come closer to target upon the adoption of the HDPF where the status of the document will then be clear for all parties involved.

The key government indicator for Improving Planning Performance – ‘percentage of all major applications allowed at appeal within the assessment period’ at formal reporting in October for period 01.01.13 – 31.12.14 is forecast at 5.79%, well within the Local Government Designation Threshold of < 20%.

The planning application fee income has significantly increased above the end of Q2 target to £686,751 (target £521,991). This is reflected in the number of applications being received and processed, and cements the streamlining of the department in that the above targets of processing applications is so high.

The land charges fee income has also significantly increased to £140,558 (target £109,956). The team are working to excellent performance in their responses issued within 10 working days.






The permanent staffing arrangements of the department are now coming to fruition following the May 2015 restructure. We have 3 posts left to fill, and 2 of these will be with us by the year end, and the final post out to advert within the timeframe. As such we have sufficient capacity in the department to process the live applications and majority of the appeals that we receive and this will significantly reduce the reliance on contract and expenditure.







Finance:

Gross spend (£000's)	Gross spend as % of annual spend budget	Gross income (£000's)	Gross income as % of annual income budget	Net spend (£000s)	Comparison net spend Q2 2014/15 (£000's)	Forecast over/(under) net spend (£000)
1,144	56%	(839)	55%	305	286	132

(xxx) denotes underspend or income

Performance:

Code	Short Name	Q1 2015/16	Q2 2015/16			Notes
		Value	Value	Target	Status	
DM07	Planning appeals - number of cost awards	2	4	0		Low is good Cabinet Member: Cllr Vickers
DM09	Percentage of planning appeals allowed	32.5%	40.63%	30%		Low is good Cabinet Member: Cllr Vickers
DM17	Processing of planning applications: Minor applications (or subject to voluntary extension)	84.48%	74.11%	65.00%		Cabinet Member: Cllr Vickers
DM18	Processing of planning applications: Other applications (or subject to voluntary extension)	81.23%	80.64%	80.00%		Cabinet Member: Cllr Vickers
DM19	% Major planning applications determined under 13 weeks or subject to voluntary extension	81.25%	96.3%	80%		Cabinet Member: Cllr Vickers

Code	Short Name	Q1 2015/16	Q2 2015/16			Notes
		Value	Value	Target	Status	
DM20	Number of major planning applications determined subject to voluntary extension	9	16			Volumetric Cabinet Member: Cllr Vickers
DM21b	Percentage of all major applications allowed at appeal within the assessment period (01.01.13 to 31.12.14)	5.79%		<20%		121 majors determined over the period 7/21 that went to appeal allowed Cabinet Member: Cllr Vickers
DM22a	Planning appeals – adverse costs awarded and paid £	£3,610	£10,643			These tables provides the detail as of 09.10.15, and will change over time as costs are agreed and invoices received. Cumulative
DM22b	Planning appeals – HDC costs incurred	£43,271	£50,491			Cabinet Member: Cllr Vickers
FS01	Planning: Fee income	£270,987	£686,751	£521,991		Cumulative Cabinet Member: Cllr Vickers
FS02	Local Land Charges: Fee income	£67,290	£140,558	£109,956		

Service Area: Property and Facilities

Overview:



There are proposals for responsibility for the repair and maintenance of the temporary housing portfolio to transfer to the Property Department in November, provided all stakeholders are confident that a seamless transition can be achieved. The redevelopment of Hop Oast is progressing and the professional team have now been appointed. Schematic plans have been agreed with the operational service team and a planning application is expected to be submitted by the end of the year. The purchase of Bishopric Temporary accommodation has been slow because of physical issues on site that need to be dealt with by the developer. These are in hand. Some costs associated with the Office Move have been met from other budgets in a forecasted underspend on operational properties.

Finance:

	Gross spend (£000's)	Gross spend as % of annual spend budget	Gross income (£000's)	Gross income as % of annual income budget	Net spend (£000s)	Comparison net spend Q2 2014/15 (£000's)	Forecast over/(under) net spend (£000)
Totals	980	47%	(2,023)	70%	(1,043)	(1,069)	(87)
PROP & FACILITIES - ADMINISTRATION	364	47%	0	0%	364	403	0
PROP & FACILITIES - INVESTMENT PROPERTIES	190	33%	(1,976)	69%	(1,785)	(1,738)	(3)
PROP & FACILITIES - OPERATIONAL PROPERTIES	426	57%	(47)	276%	379	266	(84)

(xxx) denotes underspend or income

Performance:

Code	Short Name	Q1 2015/16	Q2 2015/16			Notes
		Value	Value	Target	Status	
VE01a	Percentage of total HDC owned and managed commercial and industrial estate space occupied	99.7%	98.83%	95%		Cabinet Member: Cllr Donnelly
VE01b	Income from HDC owned and managed commercial and industrial estate space	£1,122,411	£1,830,552	£1,709,753		Cabinet Member: Cllr Donnelly
VE10	Commercial property return on investment	Measured annually				Cabinet Member: Cllr Donnelly

Service Area: Strategic Planning

Overview:

A small staffing cost overspend is forecast – the team has three vacant posts and will be undergoing review. Consultants detailed below are supporting the work of the team. The temporary replacement for one of the vacant posts is leaving at the end of October. A Journey to Work candidate is being sought.

HDPF: The Inspector's Final Report on the HDPF has been received. He has found the plan sound subject to a number of Modifications he has identified that were suggested to him by HDC. The amended HDPF will be reported to Council on 19 November 2015 with a recommendation to adopt the plan on 27 November 2015. Nevertheless, considerable pressure to demonstrate 5yrs at planning Inquiries continues. The Strategic Housing & Employment Land Availability Assessment (SHELA) and Authority Monitoring Report (AMR) are being prepared and will be published by the end of the year.

Neighbourhood plan progress: In total of 18 Neighbourhood Plan Areas have now been designated covering over 75% of the District.

- Nuthurst Neighbourhood Plan was 'made' at Council on 21 October and now forms part of the Development Plan.
- Henfield Neighbourhood Plan - concerns were raised locally about the process and content of the plan that was due to go to Referendum in September. As a result, the plan has been resubmitted and is currently out to consultation.

CIL: Consultants have been appointed and started working on the preparation of the Draft Charging Schedule, Infrastructure Delivery Plan and Planning Obligations & Affordable Housing SPDs, which is due to be reported to Council 24 February 2016.

Sustainability: The Warmer Homes Project has been awarded £30,000

Finance:

Gross spend (£000's)	Gross spend as % of annual spend budget	Gross income (£000's)	Gross income as % of annual income budget	Net spend (£000s)	Comparison net spend Q2 2014/15 (£000's)	Forecast over/(under) net spend (£000)
409	53%	(81)	146%	328	324	18

(xxx) denotes underspend or income

Director of Corporate Resources

Service Area: Census ICT

Overview:

Financial

The figures are summarised below. The HDC share of the projected overspend is £44k, which is attributable to additional maintenance costs & contractor costs over and above vacancy savings. All planned 2015/16 Projects are expected to complete within the financial year, with the exception of the Implementation of Red Hat Linux, which has been postponed until 2016/17 at the request of CenSus Revenues & Benefits.

Performance

CenSus ICT is now consistently meeting its defined Service Level (SLA) performance targets (as below), both as a whole & on each Partnership site. In addition, following a concerted effort to address outstanding (historic) calls, the number of calls outstanding has been reduced from a peak of 660 in May 2015 to a historic low of 265 at the end of September. (Equivalent HDC figures are 179 & 92 respectively)

Customer satisfaction surveys are now being performed monthly on a 10% sample of resolved calls - the HDC mean scores for each of the defined criteria for the quarter are as follows: Ease of contact – 82%; Service satisfaction – 85%;
Response time – 65%; Customer communications – 69%

Delivery

- All Exchange (email) accounts have been migrated to the 2010 version; in the next quarter all email will be moved to Microsoft's Cloud based solution (Office 365) with consequent improvements in resilience, access, storage levels & search capability
- GCSx email accounts have been migrated to the new Government Cloud environment
- All CenSus servers with out of support Microsoft 2003 operating systems have been migrated to more recent (supportable) systems
- The restructuring of the CenSus ICT department is progressing, with the revised structure (including harmonised Role Profiles & Terms & Conditions) approved through Personnel Committee & currently in formal consultation with staff. The target to complete the exercise in end December 2015.

Finance:

Gross spend (£000's)	Gross spend as % of annual spend budget	Gross income (£000's)	Gross income as % of annual income budget	Net spend (£000s)	Comparison net spend Q2 2014/15 (£000's)	Forecast over/(under) net spend (£000)
1,476	58%	(1117)	58%	359	489	44

(xxx) denotes underspend or income

Performance Indicators:

	Short Name	Q1 2015/16		Q1 2015/16		Notes
		Value	Value	Target	Status	
CenSus overall	% of Service Desk calls resolved within agreed Partnership Service Level Agreement timescales	85%	90%	85%		Not Key Indicator- not included in summary page totals
Horsham Council	% of Service Desk calls resolved within agreed Partnership Service Level Agreement timescales	80%	88%	85%		

Service Area: Census Revs and Bens (exc. Housing Benefit Payments)

Overview:

Performance for Council Tax Support and Housing Benefit.

As shown, the CenSus Joint Committee has agreed revised targets for

- CTRS Claims (18 days to 20 days) to reflect the reality of dealing with CTRS only claims and Changes of Circumstance targets and
- Changes of Circumstance (12 days to 10 days) to reflect a slight shift in emphasis to both improve customer service and help minimise Official Error overpayments (these are a technical issue where, although overpayments are recoverable there can be an impact on subsidy).






The missed targets largely reflect increased staff absence over the summer period. We expect to be back on track during October/November and to achieve the YTD target by the year end.

Finance:

Gross spend (£000's)	Gross spend as % of annual spend budget	Gross income (£000's)	Gross income as % of annual income budget	Net spend (£000s)	Comparison net spend Q2 2014/15 (£000's)	Forecast over/(under) net spend (£000)
636	52%	(490)	62%	146	103	

(xxx) denotes underspend or income

Performance:

Code	Short Name	Q1 2015/16	Q2 2015/16			Notes
		Value	Value	Target	Status	
R05	% of Council Tax collected in year	29.97%	58.24%	58.20%		Cabinet Member: Cllr Donnelly
R09a	HB -Speed of processing - new HB claims	Year to date (YTD) 17.66	Year to date (YTD) 17.66	18		Cabinet Member: Cllr Donnelly
R09b	CTB - Speed of processing - new CTB claims	YTD 20.39	YTD 20.3	20 revised		Cabinet Member: Cllr Donnelly
R10a	HB - Speed of processing - changes of circumstances for HB claims	YTD 9.66	YTD 10.8	10 revised		Cabinet Member: Cllr Donnelly
R10b	CTB- Speed of processing - changes of circumstances for CTB claims	YTD 10.66	YTD 11.3	10 revised		Cabinet Member: Cllr Donnelly

Service Area: Human Resources

Overview:

Budget - Some small savings are forecast.

Turnover is markedly lower compared to Q1 and previous year, but is still above the pro-rata target for the quarter. At current trends a 12.5% turnover is predicted for the year, against a 10% target. With job mobility still on the rise, turnover pressures will continue.



The 12 months' rolling sickness absence trend is stabilising below the 8 days' target, albeit not yet significantly lower. The trend is a gradual fall as improved monitoring and managing of absences are increasingly making an impact.

Finance:

Gross spend (£000's)	Gross spend as % of annual spend budget	Gross income (£000's)	Gross income as % of annual income budget	Net spend (£000s)	Comparison net spend Q2 2014/15 (£000's)	Forecast over/(under) net spend (£000)
242	47%	(3)	12%	239	252	13

(xxx) denotes underspend or income

Performance:

Code	Short Name	Q1 2015/16	Q2 2015/16			Notes
		Value	Value	Target	Status	
PS05	Percentage Staff turnover	3.99%	2.74%	2.5%		Aim to minimise with 10% variance trigger for amber status Personnel Committee
PS11c	Total sickness (excluding leavers sickness)	7.87	7.73	8		Personnel Committee

Service Area: Finance

Overview:

Financial indicators relating to individual departments, e.g. parking income are included within the relevant service areas.

Performance against the Finance performance indicators has improved from Q1, although remains slightly below target.

The forecast overspend for the Finance department reflects:

- a higher than budgeted cost for the cash collection services for the part-year to 31 October 2015. A new contract with a new supplier for the service effective from 1 November 2015 will bring this into line with the existing budget.
- additional credit card commission costs
- some additional staffing costs to cover a long term sickness absence




The Corporate Finance forecast overspend reflects the annual insurance premium cost being higher than anticipated. Insurance premium increases in general have risen much faster than inflation and the number of previous claims has also pushed the premium up higher than expected.

Finance:

	Gross spend (£000's)	Gross spend as % of annual spend budget	Gross income (£000's)	Gross income as % of annual income budget	Net spend (£000s)	Comparison net spend Q2 2014/15 (£000's)	Forecast over/(under) net spend (£000)
FINANCE DEPARTMENT	483	54%	(3)	34%	479	419	32
CORPORATE FINANCE	191	51%	(131)	61%	60	202	16

(xxx) denotes underspend or income

Performance:

Code	Short Name	Q1 2015/16	Q2 2015/16			Notes
		Value	Value	Target	Status	
FS07	% of invoices paid on time	91.49%	93.30%	96.00%		Cabinet Member: Cllr Donnelly
FS07a	% of invoices paid within 10 days	69.99%	71.43%	75%		Cabinet Member: Cllr Donnelly
FS13	Business Rates: Rateable Value	£100,919,540	£100,922,630			Cabinet Member: Cllr Donnelly

Directorate: Community Services

Service Area: Community and Culture

Overview:

Forecasting a £126k end of year overspend against the original 2015/16 budget. In addition to issues previously reported at Rookwood and The Capitol, some additional staffing costs less increases in income identified at the Capitol Theatre, reduction in rental income, and savings following a staff restructure, this forecast overspend is due to the introduction of charging for car parking at Southwater Country Park to commence in 2016 not 2015 as anticipated and remedial repairs at Pavilions in the Park and at the Forest Recreation Centre.

Performance The swimming figures are awaited. Attendances at the Museum continue to exceed target. Net income from live productions at the Capitol at the end of Q2 is £222k. Although this includes significant takings against future performances which are yet to be paid for, this figure is £99k better than the same period last year.




Finance:


	Gross spend (£000's)	Gross spend as % of annual spend budget	Gross income (£000's)	Gross income as % of annual income budget	Net spend (£000s)	Comparison net spend Q2 2014/15 (£000's)	Forecast over/(under) net spend (£000)
Totals	3,136	50%	(1,721)	53%	1,415	931	127
Management	50	32%	0	n/a	50	45	(31)
Comm Development	636	51%	(370)	57%	267	153	(41)

	Gross spend (£000's)	Gross spend as % of annual spend budget	Gross income (£000's)	Gross income as % of annual income budget	Net spend (£000s)	Comparison net spend Q2 2014/15 (£000's)	Forecast over/(under) net spend (£000)
Community Safety	186	45%	(84)	41%	102	93	-
Museums	123	47%	(26)	85%	96	102	(2)
Capitol	770	47%	(751)	59%	20	65	33
Leisure Services	613	58%	(319)	43%	293	23	121
Parks & Countryside	759	52%	(172)	52%	587	450	47

(xxx) denotes underspend or income

Performance:

Code	Short Name	Q1 2015/16	Q2 2015/16			Notes
		Value	Value	Target	Status	
CD19	Total hours of voluntary support for Community & Culture Services	Measured annually				Cabinet Member: Cllr Rowbottom
LS01a	Attendance at Sports Centres	264,633	264,310	260,300		Cabinet Member: Cllr Chowen
LS01b	Swimming attendances	105,552	115,538	124,00		Cabinet Member: Cllr Chowen
LS03	Attendance at The Capitol	59,110	43,712	47,499		Cabinet Member: Cllr

Code	Short Name	Q1 2015/16	Q2 2015/16			Notes
		Value	Value	Target	Status	
						Chowen
LS05	Attendance at Horsham Museum and Visitor Information Centre	18,990	19,768	16,800		Cabinet Member: Cllr Chowen

Service Area: Customer Services

Overview:

The move to Parkside has proved very positive with Contact Centre, Reception, Post and Scanning services settling well. Contact Centre performance continues to excel in terms of speed of answer and abandoned calls. The call handling migration plan continues with generic calls to the Council's Wellbeing Team and Parking services now handled in the Contact Centre.

Our new Reception area is proving popular and we are about to embark on a pilot with colleagues from WSCC to work together to share the facilities more effectively.

Post and Scanning work volumes have subsided since the push to support the business prior to the move and a review of the staffing and working practices is currently underway.

We appointed to the role of Complaints and Feedback Officer in July 2015 which has created a far more robust approach to complaint handling, with a focus upon establishing the root cause of complaints.







We currently see a slight under spend at Quarter 2. February 2016 will see very high call volume related to the renewal of Garden Waste services and will require temporary staffing to handle the demand.

Finance:

Gross spend (£000's)	Gross spend as % of annual spend budget	Gross income (£000's)	Gross income as % of annual income budget	Net spend (£000s)	Comparison net spend Q2 2014/15 (£000's)	Forecast over/(under) net spend (£000)
174	47%	0	n/a	174	168	(9)

(xxx) denotes underspend or income

Performance:

Code	Short Name	Q1 2015/16	Q2 2015/16			Notes
		Value	Value	Target	Status	
CS01	Contact Centre: % of incoming calls answered within 20 seconds	98.2%	98%	80%		Cabinet Member: Cllr Dawe
CS04	% of valid complaint decisions upheld by the LGO over the year	Measured Annually				Cabinet Member: Cllr Dawe
PP10	Number of complaints received	109	102			Cabinet Member: Cllr Dawe This figure doesn't include Leisure centres. Increase from 14/15 is expected with the full introduction of Covalent to record stats. Key departments are Parking services, Development and Waste & Recycling.
BT1	Number of self service (eform and web based) payments (% change year on year for year 2)	7,001	4,908			+7% increase over same period previous year Cabinet Member: Cllr Dawe
PP08	Number of FOI requests received	143	196			Cabinet Member: Cllr Dawe
PO9	% of FOI requests responded to within 20 days	81%	95%	85%		Cabinet Member: Cllr Dawe
CC05	No of followers of @HorshamDC Twitter feed (not including Twitter feeds for The Capitol, Piazza Italia, etc)	3,493	3,740	3,522 (50 over the quarter)		Cabinet Member: Cllr Dawe

Service Area: Environmental Health

Overview:

The Department won the 'Primary Authority' of the year award for its work with the National Federation of Meat and Food Traders. The title was awarded by Better Regulation Delivery Office as an excellent example of a co-ordinated partnership supporting small businesses in compliance.

Over 98 % of food safety inspections due have been completed on time.

We have received 423 requests for service. Work involving Houses in Multiple Occupation has increased.

We have approved 48 Disabled Facilities Grants but the number of referrals from the West Sussex County Council Occupational Therapists is down on last year and they currently have a large waiting list.

We have processed 126 Private Hire / Hackney Carriage drivers' licences and 75 vehicle licences. 1 Private Hire driver's licence was revoked for misconduct and 1 Hackney Carriage drivers' licences was suspended on medical grounds.

We have administered 82 charity collections and 34 lotteries.

We have processed 17 new Premises licences, 16 Variations, 30 Personal licences and 283 Temporary Events Notices under the Licensing Act. We have held one Hearing to determine an application to vary a premises licence.

We have been consulted on 185 planning applications and received 66 requests to discharge conditions.

90 % of food businesses have a score of 3 or more under the Food Hygiene Rating System

The Pest Control Business Plan is on target and income levels are being maintained and increased in some areas.

Administration of our Empty Property work has been brought in-house.

Finance:

Gross spend (£000's)	Gross spend as % of annual spend budget	Gross income (£000's)	Gross income as % of annual income budget	Net spend (£000s)	Comparison net spend Q2 2014/15 (£000's)	Forecast over/(under) net spend (£000)
519	48%	(200)	64%	319	292	(20)

(xxx) denotes underspend or income

Service Area: Housing

Overview:

Households in B&B accommodation have remained at a reduced level across the quarter and are a third less than the same period last year. The number of homeless preventions is less than the same period last year however the number of homeless approaches has also reduced. The service demand continues to be manageable given the deletion of a Housing Officer post at the start of the financial year.

The creation of a Housing Options Support Officer post has managed the demand of online housing applications which increased to 111 for the quarter. At 1 July 2015 there were 534 households on the waiting list.

The Council is acquiring 17 new build short stay temporary accommodation units in the Bishopric, Horsham. This will reduce the need for households to be placed in B&B to a minimum.

New build affordable housing delivery for 2015-16 is difficult to predict currently due to July Budget announcements and the Housing and Planning Bill, published on 13 October. Housing Associations are considering their position and many offers to developers have been withdrawn until courses of action have been decided. Discussions are ongoing with SLT and Cabinet regarding the implications for affordable housing delivery.

Community Alarm installations have increased by 15% during this quarter – ground is being regained following the year where the team were down by one advisor. Total of 1686 installations/customers. The appointment of a Senior Community Link Advisor has strengthened the team.







The total number of Housing properties registered for Council tax purposes in the District stands at 59,217 an increase of 631 properties over the year to date.

Finance:

Gross spend (£000's)	Gross spend as % of annual spend budget	Gross income (£000's)	Gross income as % of annual income budget	Net spend (£000s)	Comparison net spend Q2 2014/15 (£000's)	Forecast over/(under) net spend (£000)
599	45%	(534)	51%	65	80	6

(xxx) denotes underspend or income

Performance:

Code	Short Name	Q1 2015/16	Q2 2015/16			Notes
		Value	Value	Target	Status	
HS09	Housing: No. of Tenancy Deposit loans issued	7	7			Volumetric Cabinet Member: Cllr Circus
HS17	No of Homelessness Preventions	25	36			Cabinet Member: Cllr Circus
HS18	No of households in temporary accommodation	73	73			The Quarterly figure is shown as the average of 3 months. The monthly figure is the snapshot. Cabinet Member: Cllr Circus
HS19	Of which no of households in B & B accommodation	14	14			The Quarterly figure is shown as the average of 3 months. The monthly figure is the snapshot. Cabinet Member: Cllr Circus
HS21	No of households on the Housing Waiting list	501	534			Compared Year 14/15 +10% increase Cabinet Member: Cllr Circus
HS23	Average time spent in B&B and Temporary accommodation	41.01	37.28			Cabinet Member: Cllr Circus
NI 155	Number of affordable homes delivered (gross)	Measured Annually				Cabinet Member: Cllr Vickers

Service Area: Parking Service

Overview:

Income is 5.4 % up on the target, with ticket sales being up 4.4% on target. This is despite the introduction of John Lewis/ Waitrose and their car park. This increase can be attributed to the introduction of our Smartpark system in our three multi-storey car parks, particularly in Piries Place that went from a pay and display car park to Smartpark. This change in parking regime has ensured that all users now pay.

Additionally to the introduction of Smartpark, we have also fully filled all vacancies for parking attendants (Civil Enforcement Officers) and made amendments to patrols to increase presence and further reduce the impact of illegal parking – moving those illegal parkers to our car parks.

The car park occupancy is currently down on target, this target is being reviewed because this data was not available before the new Smartpark equipment was installed. We are now getting our first year on year figures (ANPR has been installed for a year in Swan Walk and Forum car parks).




The forecast overspend includes emergency works at Storrington and Steyning car parks

Finance:

Gross spend (£000's)	Gross spend as % of annual spend budget	Gross income (£000's)	Gross income as % of annual income budget	Net spend (£000s)	Comparison net spend Q2 2014/15 (£000's)	Forecast over/(under) net spend (£000)
997	59%	(1,976)	53%	(979)	(967)	34

(xxx) denotes underspend or income

Performance:

Code	Short Name	Q1 2015/16	Q2 2015/16			Notes
		Value	Value	Target	Status	
FS09	Parking: Total Income	£880,285	£1,735,824	£1,645,675		Cumulative Cabinet Member: Cllr Lindsay
TS02a	Parking: Total paid car park users (excludes Season Ticket holders from 1.4.15)	379,267	386,358	369,768		Cabinet Member: Cllr Lindsay
TS05	Parking - Capacity (% full)	61%	54%	60%		Forum at 58% capacity, Swan Walk 55%, Piries at 50% Cabinet Member: Cllr Lindsay

Service Area: Street Scene and Fleet

Overview:

Budget – Underspend of £8k projected. Domestic wheeled bin sales continue to do well at £22k above budget overall income is up by £20k. Fuel costs are low and likely to remain so over the year. The Cess service will be decommissioned at the end of March the service is £2k down on a revised budget which reflects the overall down turn in the service.

Staffing – salaries are slightly underspent in Street Scene Cleansing.

Performance: Fleet Parts reactive maintenance overspent by £25k much of which is down to replacement of the vehicle braking system and ongoing component failure and accident damage which is being monitored remotely. Fuel continues below budget by £51k and will be re set again next year at a lower figure

Finance:

Gross spend (£000's)	Gross spend as % of annual spend budget	Gross income (£000's)	Gross income as % of annual income budget	Net spend (£000s)	Comparison net spend Q2 2014/15 (£000's)	Forecast over/(under) net spend (£000)
1,524	51%	(66)	47%	1,459	1,435	(8)

(xxx) denotes underspend or income

Service Area: Waste and Recycling

Overview:

The Service is undertaking a review to ensure costs are minimised and income maximised: this is continuing through 2015/16.

Targets are currently under review with alternatives being considered to boost recycling percentages and we have an initiative starting shortly that targets contaminated recycling with the aim of reducing residential contamination therefore reducing load rejection rates.

Nationally waste and recycling performance has stagnated and districts across West Sussex have seen a reduction in tonnages collected. This is due to reductions in core materials such as newspapers and lighter product packaging; there has also been an increase in non-recyclable waste collected.

The Green waste service continues to do well performing above budget at £44k. Trade waste income is under budget at £33k although we are currently undergoing a reconciliation process. Budget profiles will be reviewed.

Trade Waste have recently been awarded 2 very good contracts worth £28k & £36k respectively and the customer data base is growing as a result of the promotional campaign undertaken since July which is ongoing. We will be revising the role of Trade Waste Manager to focus on sales, marketing and customer relations as opposed to the current role.





Salaries and wages are slightly overspent which is partly down to a shortage of LGV Drivers nationally which makes recruitment and staff retention difficult with subsequent knock on in salaries linked to agency workers.

Finance:

Gross spend (£000's)	Gross spend as % of annual spend budget	Gross income (£000's)	Gross income as % of annual income budget	Net spend (£000s)	Comparison net spend Q2 2014/15 (£000's)	Forecast over/(under) net spend (£000)
1,500	44%	(2,499)	79%	(999)	(530)	(74)






(xxx) denotes underspend or income




Performance:




Code	Short Name	Q1 2015/16	Q2 2015/16			Notes
		Value	Value	Target	Status	
OP14	Acornplus recycling rate % (Tonnage) [2020 European Target is 50%]	47.86%	46.3%	50% European target for 2020		Data provided one month in arrears, as WSCC data included. High is good. Cabinet Member: Cllr Cornell
OP15	Number of garden waste customers (households)	30,647	31,344	28,500		Cabinet Member: Cllr Cornell
OP16	Number of trade waste customers	1,103	1,132	1140		Cabinet Member: Cllr Cornell
OP17	Number of refuse, recycling and garden waste collections reported as missed	812	929			Cabinet Member: Cllr Cornell


APPENDIX F: Key Tracked Projects Reporting Qtr 2 2015/16


We are currently in Year 5 of an extended 4 Year Corporate Plan – the District Plan. Progress against key projects is tracked corporately and is reported across the 6 themes. Reporting covers budget and costs across the life of the project not spend only in the current period. Where indicated by *, some projects include capital and revenue elements





Symbols Used				
				
Not Started	On Track	Keep eye on	Issues	Completed


District Plan Themes	Project	Update	Budget	Spend to date	Forecast total spend	Cabinet Member	Status
Theme 1: Economic Development <i>Plan for a successful local economy with high levels of employment</i>	HORSHAM TOWN VISION: West Street Improvement Plan & Signage Scheme funded through West Sussex County Council's 'Kick-Start' Programme to deliver improvements to hard and soft landscaping, street furniture, signage and lighting	Landlords' permissions awaited for additional monoliths to be installed at the new John Lewis/Waitrose site and Sainsbury's (funded by them) Issues / Concerns None at this stage	£697,000 Additional monoliths cost, to be covered by John Lewis/ Sainsbury's	£534,221	£697,000	Cllr Gordon Lindsay	
	HORSHAM TOWN VISION: Car Parking Equipment Replacement (Smartpark) Project covers Car Parking Equipment Replacement in Horsham Town Car Parks and NOT rural Car Parks, and NOT any potential changes to Controlled Parking Zones. New Town Centre car parking went live Sept 2014.	The only outstanding element is the contract for the eWallet scheme. This is due to be launched in November 2015. Issues / Concerns Overspend accounted for by the installation of additional machines not originally included in the budget, but installed in response to public demand.	£225,000	£275,015	£275,015	Cllr Gordon Lindsay	
	Horsham Car Parks Fabric and Equipment Project includes Swan Walk car park repairs, improving lighting at Piries and replacement of lifts at Piries Place and the Forum	Project slippage – lighting improvements and lift installation will now take place in 2016/17 when more daylight hours available to do the work. Issues / Concerns Further budget will be required in 2016/17: already included in forecasting	£852,697	£39,484	£1,022,369	Cllr Gordon Lindsay	





	<p>Bishopric Public Realm Improvements</p> <p>Agree and deliver public realm improvements for Bishopric/Albion Road area to facilitate greater connectivity between John Lewis/Waitrose and Town Centre including options to retain or remove Shelley's Fountain.</p>	<p>Informal Cabinet agreed to progress consultation with all Members, external interest groups and wider public to achieve consensus on preferred feasible options. Members consultation scheduled for December 2015, wider consultation to follow in January 2016 with funding report to Council on 24th February.</p> <p>Issues / Concerns Complex project depending on effective partnership working</p>	TBA (Partly covered by s106 funding)			<p>Clr Gordon Lindsay</p>	
	<p>'Big Picture' Town Centre Vision Document</p> <p>To produce an imaginative, innovative, dynamic and deliverable, composite picture of the planned, emerging and prospective development opportunities and improvements within the town centre</p>	<p>Project Board established</p> <p>Mid Dec 2015 - Consultant commission/s appointments to be progressed January-April 2016 - Draft document April-May - Consultation; June - review July - adoption.</p> <p>Issues / Concerns Complex project depending on effective partnership working</p>	TBA			<p>Clr Ray Dawe, Clr Gordon Lindsay, Clr Clare Vickers</p>	
	<p>Hurst Road Site</p> <p>To develop and deliver a combined, comprehensive Public Sector development solution for Hurst Road to include re-provisioning of existing services on or off site; maximising development potential to deliver new homes and jobs; connectivity and townscape enhancements.</p>	<p>Stage 1: Establish Development Partnership: Discussions initiated with Police, Fire, Ambulance and Health Services; Ministry of Justice (MOJ) being pressed to engage in partnership approach.</p> <p>Issues / Concerns Complex project depending on effective partnership working</p>	TBA			<p>Clr Ray Dawe, Clr Gordon Lindsay, Clr Clare Vickers</p>	

District Plan Themes	Project	Update	Budget	Spend	Forecast total spend	Cabinet Member	Status
<p>Theme 2: Efficiency & Taxation</p> <p><i>Delivering excellent value and high performance</i></p>	<p>BUSINESS TRANSFORMATION: Customer Contact Project (Delivery)</p> <p>Phase 2 includes waste and recycling, Capitol Theatre and Elections overflow covered by call</p>	<p>Generic calls for Parking Services are to be handled in the Corporate Contact Centre from Wednesday 4th November.</p> <p>Issues / Concerns No concerns at this stage</p>	No Capital budget			Clr Ray Dawe	

	centre						
	<p>New Financial Management System</p> <p>The license for the current FMS expires Sept 2017, and the new FMS will need to be online by April 2017. A period of overlap is planned from the end of 2015/16 financial accounts close off, up to April 2017.</p>	<p>Specification for the new system has been completed and tender documentation is being developed. The new system will be cloud-based so financed on an ongoing maintenance basis rather than through a capital budget item.</p> <p>Issues / Concerns No concerns at this stage</p>	Revenue Budget – cloud based system				<p>Cllr Brian Donnelly</p> 


District Plan Themes	Project	Update	Budget	Spend	Forecast total spend	Cabinet Member	Status
<p>Theme 3: Arts, Heritage & Leisure</p> <p><i>Build an arts, leisure and culture reputation that also supports our economy</i></p>	<p>Leisure Management Provision (*Includes capital and revenue spend)</p> <p>This project relates to the provision and maintenance of leisure centres across the District.</p>	<p>Additional works have been carried out over the remedial period, of necessity, above the original scope intended.</p> <p>Issues / Concerns:  Loss of income claims have arisen, overspend of £31,716 forecast due to increased scope of works needed</p>	*£2,517,053 (incl £380,000 loss of income provision)	*£2,095,722	*£2,548,769 (incl £380,000 loss of income provision)	Jonathan Chowen	
	<p>Broadbridge Heath Leisure Centre</p> <p>Project includes new or remodelled leisure centre</p>	<p>Five options for the redevelopment of the Centre have been considered and the emerging preference is Option 3, the business cars for which is being taken forward in a report to Cabinet for agreement on 23rd November 2015. The athletics track will be retained at the current site until a suitable alternative location has been agreed.</p> <p>Issues/Concerns  For new BBHLC – on track</p>	TBA			Jonathan Chowen	BBHLC 

District Plan Themes	Project	Update	Budget	Spend	Forecast total spend	Cabinet Member	Status
<p>Theme 4: Living, Working Communities</p> <p><i>Working together to support the</i></p>	<p>Horsham District Planning Framework</p> <p>The HDPF must be in place before the CIL scheme can be adopted</p>	<p>The Planning Inspector's Final Report (dated 8 October 2015) on the examination into the Council's Horsham District Planning Framework concludes that the Plan, together with the modifications, is sound.</p> <p>An Extraordinary Council meeting has been arranged for</p>	N/A	N/A		Cllr Claire Vickers	

life of local communities		19 th November to discuss this further. Issues/Concerns: No major concerns						
	Community Infrastructure Levy Scheme The Community Infrastructure Levy is a new levy that local authorities in England and Wales can choose to charge on new developments in their area. Adopting CIL is dependent on the Horsham District Planning Framework being in place.	Work is continuing on CIL and it is anticipated that consultation on the draft charging schedule will take place in early in 2016, followed by Examination by an Independent Planning Inspector. Issues/Concerns None at this stage	N/A				Cllr Claire Vickers	
	Community Infrastructure Levy (CIL) Procedures (*Includes capital and revenue spend) This project relates to the implementation of the CIL scheme through HDC policies	New software has now been procured from Exacom to support CIL and s106 systems. System planned to go live 7 th Dec 2015, for s106 payments, but this is dependent on the data cleansing process being completed on schedule. Annual maintenance costs will be covered by income from future CIL Issues / Concerns  We need to ensure data cleansing is completed on time	£21,250	*£21,250 (Incl 1 st year support)	£21,250		Cllr Claire Vickers	
	Billingshurst SPD and Infrastructure Programme To agree and deliver an infrastructure programme to support SPD actions and priorities. Regenerate and support Billingshurst future growth.	Working Group established; Priorities and draft delivery programme being worked up and costed; Existing and future funding to be mapped and agreed. Draft SPD strategy document being revised for Wkg Group agreement and wider stakeholder consultation for adoption Spring 2016. Acquisition of Myrtle Lane car park agreed with delivery Spring 2016. Issues / Concerns Complex project depending on effective partnership working	TBA				<i>Cllr Gordon Lindsay, Cllr Kate Rowbottom</i>	

District Plan Themes	Project	Update	Budget	Spend	Forecast total spend	Cabinet Member	Status
Theme 5: Environment <i>A better environment for today and tomorrow</i>	Improvements to Hop Oast Depot Consolidation of Hop Oast and Hurston Lane Depots into a single site at Hop Oast.	A project team has been set up and technical project manager appointed who is leading the professional team to develop the new scheme. Planning application to be submitted by Dec 2015. Completion Autumn 2017. Issues/Concerns Project is on track, but health & safety risk at the Hop Oast depot continues until new depot built.	£4,550,000	£27,613	£4,550,000	<i>Cllr Roy Cornell</i>	
	Waste Management: In-cab software Implementation of digital solution to predominately paper-based rounds systems. Outcomes better accessibility, improved efficiency and improved contact and response times.	At design stage: business case and specification being developed. Implementation planned for early 2016. The new system will be cloud-based so financed on an ongoing maintenance basis over the period of the contract rather than through a capital budget item. Issues/Concerns No concerns at this stage	Annual contract			<i>Cllr Roy Cornell</i>	

Projects Completed in Q2

District Plan Themes	Project	Update	Budget	Spend	Forecast total spend	Cabinet Member	Status
	BUSINESS TRANSFORMATION: The Big Move Project to investigate, develop and implement the relocation of HDC staff and operations from our North Point, Park North, Park House and Stables offices, into an agreed space in Parkside (County Hall North).	All staff and operations from Park North, Park House and North Point have now moved to Parkside. A Post Implementation Review has been held and will be revisited once all costs are in. The project has been completed within budget . Underspend £45k, but invoices still awaiting payment Issues/Concerns No concerns at this stage	£1,193k	£1,148k	£1,193k	<i>Cllr Ray Dawe</i>	

Report to Council

9 December 2015

By the Cabinet Member for Finance and Assets

DECISION REQUIRED

Not exempt



Horsham
District
Council

Revisions to Horsham District Council's Procurement Code

Executive Summary

This report outlines the changes to the Council's Procurement Code. These changes are required to incorporate the new Public Contract Regulations 2015, which introduce the most significant changes to public procurement in over a decade.

The Public Contract Regulations incorporate the EU Procurement Directives into UK statute as well introducing additional UK Government legislation aimed at providing more business opportunities for Small and Medium sized Enterprises (SMEs), simplifying the procurement process and providing greater transparency through the publication of data on all tenders advertised and all contracts awarded by the Council over £5,000 in value.

The changes required are so significant that a complete overhaul of the Procurement Code has been undertaken rather than try to amend the existing version. The revision has also been used as an opportunity to make other changes to remove process bottlenecks and inefficiencies and move towards more electronic processes. The new Procurement Code can be found in Appendix 2 of this report.

The key changes are:

- Invite at least one local supplier to quote wherever possible;
- All tenders over £50,000 must be advertised centrally;
- Pre-Qualification Questionnaires (PQQ) prohibited on tenders below £172,000;
- To have full electronic tendering and communication between bidders and the Council on all EU tenders not later than March 2018;
- Move towards electronic tendering as a default process.

Recommendations

The Council is recommended:

- i) to adopt the revised new Procurement Code
- ii) to delegate authority to the Cabinet Member for Finance and Assets to approve the administrative changes to the tender receipting procedures when tenders are submitted by electronic means.

- iii) to delegate authority to the Cabinet Member for Finance and Assets to approve subsequent amendments to and the Procurement Code arising from additional guidance issued by the Cabinet Office, Case Law or new legislation.

Reasons for Recommendations

- i) The Council has a statutory obligation to comply with the Public Contract Regulations 2015 and the Local Government Act 1972 and have its own set of procurement rules.
- ii) Additional amendments have been made to make the Council's procurement processes more efficient and transparent and to accommodate the Council's aspiration to become a Commissioning organisation.

Background Papers – existing Contract Standing Orders and Procurement Code
Consultation

Wards affected: All

Contact – Mark Pritchard, Commissioning & Performance Manager, ext: 5110.

Background Information

1 Introduction

The purpose of this report

- 1.1 The report outlines the changes proposed to the Council's Procurement Code to accommodate several new pieces of legislation as detailed in Section 2.

2 Statutory and Policy Background

Statutory background

- 2.1 Local Government Act 1972; EU Procurement Directives 2014; Public Contract Regulations 2015; Small Business, Enterprise and Employment Act 2015; The Local Government (Transparency Requirements) (England) Regulations 2015

Relevant Government policy

- 2.2 Local Government Transparency Code 2015; Lord Young's *Report on Small Firms 2010 to 2015*;

Relevant Council policy

- 2.3 Contract Standing Orders, HDC Procurement Code

3 Details

- 3.1 The changes are required because of the introduction of new legislation, in particular, the Public Contract Regulations 2015, the Small Business, Enterprise and Employment Act 2015 and the Local Government (Transparency Requirements) (England) 2015. It is proposed to replace the Council's Contract Procedure Rules with a Procurement Code to accommodate these changes. Further information on the changes is provided below:

Mandatory changes brought about by introduction of new legislation

- 3.2 All tenders over £50,000 in value must now be advertised on the UK Government's *Contracts Finder* website. This website has been designed as a national single information resource where suppliers may register free of charge to receive details of any public sector business opportunity within their particular area of interest. Previously the Council could choose where to advertise its tenders and was simply required to ensure there was adequate competition. The rules for advertising higher value EU tenders remain unchanged.
- 3.3 Details of all tenders advertised and all contracts awarded by the Council with a value of £5,000 or more must be published on the Council website. Previously the Council was only obliged to formally publish details of all EU tender awards and maintain a basic Contracts Register.

- 3.4 Pre-Qualification Questionnaires (PQQ), the process used to establish a bidder's credentials (legal, financial and technical capabilities), are prohibited on any procurement exercise with a value of £172,514 (200,000 euros) or less. Procurements above this value may only use the UK national standard PQQ which must not be modified in format or content. An assessment of the bidder's legal, financial and technical capabilities must now be undertaken just prior to writing the contract award recommendation report. Previously the Council was able to bespoke its PQQ and seek this information on any tender process irrespective of value.
- 3.5 All procurement documentation must now be available for electronic download free of charge from the Council or another agreed website from the date the tender advertisement is placed. Previously interested companies had to request the tender documents directly from the Council.
- 3.6 Restrictions limiting the level of variations or changes to existing contracts have also been introduced. The new Regulations set out in detail the circumstances whereby an existing contract may be modified and when such changes would be significant enough that the contract must be retendered. The conditions for allowing changes to contracts must be detailed in the tender documents. These changes apply to not just new contracts but those contracts awarded prior to the new Regulations coming into force.
- 3.7 All EU procurement processes including communications between Tenderers and the Council must be conducted electronically not later than March 2018. In order to comply with this requirement for full electronic tendering the Council, in conjunction with Crawley and Mid Sussex councils has recently acquired a new electronic tendering system for use by the Procurement Team. The system has sufficient functionality to allow roll out at some future date to other departments across Crawley, Horsham and Mid Sussex councils for use on their lower value procurement at no additional cost.
- 3.8 The new legislation also grants powers to the Minister for the Cabinet Office to issue from time to time new policy or guidance in respect of the Regulations which all Contracting Authorities must consider in the procurements.

Voluntary changes for consideration

- 3.9 In an effort to support the local economy it is proposed to introduce a requirement that when seeking three written quotations (i.e. contract values up to £50,000 for Goods and Services or £100,000 for Works) Heads of Service should invite at least one local organisation to quote where such suitable organisations exist that could fulfil the requirements. Each procurement project should be considered on a case by case basis and whilst a "local organisation" shall normally be defined as an organisation or supplier having their main base of business/activity located within the environs of Horsham District for some more specialist requirements a "local organisation" may be further afield.

3.10 As noted in section 3.7 above, the Council has acquired a new e-tendering system. Full electronic tendering will require changes to the tender receipting process currently administered by Legal Services. In the short term it is planned to have both electronic and paper based tender return options available until such time as an appropriate receipting process for electronic tenders has been agreed and implemented. The new e-tendering system has a secure “vault” in which the tenders are stored until the tender closing date and time has passed. Access to the vault is via secure username and password and is fully auditable with details of user, time and date the vault was opened and the details of the tenders and prices received all being recorded. As such once full e-tendering is introduced at the Council the formal tender opening procedure detailed in section 10.8.2 of the Procurement Code will no longer be required.

Other differences between the old and new Procurement Code

3.11 The new Procurement Code provides officers with more information and guidance on areas of best practice than the old Code did. Examples include:

- Commissioning and Stakeholder and Early Market engagement (sections 3 and 4) – information about adopting a commissioning culture and steps which may be taken in consulting with services users and service providers to better shape the service specification before going out to tender;
- Use of Framework Agreements (section 9) – information on the potential benefits of using framework agreements and some of the legal considerations;
- Procurement Exemption process (section 10) has been extended to provide more visibility and evidence why an exemption to follow the appropriate procurement process was approved.
- Document retention periods (section 15.3) – to reduce the time that contract documentation is required to be retained by the Council to 3 years **after** the expiry of the contract. Previously the retention period was between 6 and 12 years after the contract expiry.
- Contract management, Contract variations and extensions (sections 16 – 18) – information on managing contracts and contractors effectively to ensure maximum benefit is provided to the Council and/or service users; details of the formal processes which must be followed regarding contract variations and extensions;

4 Next Steps

4.1 Update the Council’s Constitution with the new Procurement Code

4.2 Update the Procurement Intranet pages with links to these new documents and provide additional guidance for Officers in the Procurement Toolkit

4.3 Provide a programme of training for Officers on the changes.

5 Outcome of Consultations

5.1 The Monitoring Officer comments as follows

Adoption of the EU Procurement Directives is mandatory. It is likely there will be rigorous enforcement against public bodies.

5.2 The Head of Finance comments as follows....

The updated Procurement Code and Contract Standing Orders will bring the Council into line with requirements and are welcomed

5.3 The Chief Internal Auditor comments as follows.....

The revised Contract Standing Orders and Procurement Code are essential components of the Council's Governance Framework. The requirement to comply with the EU procurement rules and regulations has recently been added to the Council's Corporate Risk Register as more services are being put out to tender and contractors are increasingly challenging contract awards. This is a highly complex area, and it is important that the revised Contract Standing Orders and Procurement Code are brought to the attention of all relevant officers. Furthermore, as stated in paragraph 4.3 above, it is important that a programme of training is rolled out to reinforce the main aspects of the guidance. It is also important that officers understand their responsibilities and the importance of complying with the Council's procurement processes.

6 Other Courses of Action Considered but Rejected

6.1 Not applicable

7 Staffing Consequences

7.1 None

8 Financial Consequences

8.1 None if the Council complies with the new legislation.

Appendix 1

Consequences of the Proposed Action

What are the risks associated with the proposal? Risk Assessment attached Yes/No	Failure by the Council to comply with the new legislation may result in fines or contracts being cancelled by the Courts.
How will the proposal help to reduce Crime and Disorder?	None directly but such aspects will be considered on a case by case basis according to the service requirements being procured.
How will the proposal help to promote Human Rights?	None directly but such aspects will be considered on a case by case basis according to the service requirements being procured.
What is the impact of the proposal on Equality and Diversity? Equalities Impact Assessment attached Yes/No/Not relevant	None directly but such aspects will be considered on a case by case basis according to the requirements being procured.
How will the proposal help to promote Sustainability?	None directly but aspects such as Whole Life Costing and Sustainability evaluation criteria will be considered on a case by case basis according to the requirements being procured.



Horsham District Council
Horsham Procurement Code

November 2015

Version 4

Printed copies of this document are Uncontrolled.

Visit the Council's Procurement page on the Intranet for the latest version

http://hdc-intranet/corporate_toolkit/procurements.asp

HORSHAM DISTRICT COUNCIL

HORSHAM PROCUREMENT CODE

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6.	Determining the Contract Value
7.	Determining the Procurement Route <ul style="list-style-type: none"> • Procurement Thresholds and Contract Award Procedures – Goods and Services contracts
8	Commissioning and Procurement & Contracts Checklist e- forms
9.	Use of Framework Agreements
10.	Exemptions to the Horsham Procurement Code
11.	Quotation Process
12.	Tender Process <ul style="list-style-type: none"> • Scope • Conduct of PQQ & tender process • Advertising of tender requirements • Pre-Qualification Questionnaire and Short-listing • PQQ Evaluation Process • Invitation to Tender Pack • Evaluation Criteria • Tender Receipt and Opening • Tender Evaluation Process • Post Tender Negotiation • Abnormally Low Bids • Acceptance of Tender – Contract Award Recommendation
13	Specialist Types of tender <ul style="list-style-type: none"> • “Light Touch Regime” tenders • Concession contracts
14.	Contract Award Procedures
15.	Record Keeping
16	Contract Management
17	Contract Variation
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20	Transparency Code and Contracts Register
21.	Use of Consultants
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HORSHAM DISTRICT COUNCIL

HORSHAM PROCUREMENT CODE

PART A INTRODUCTION AND OFFICER ROLES & RESPONSIBILITIES

1. INTRODUCTION

- 1.1. The Council's Procurement Code establishes the legal framework through which the Council must undertake its commissioning and procurement activity. The purpose of the Horsham Procurement Code is to provide additional information and clarity on the rules for the commissioning and procurement of all the Council's goods, works and services as required by the Local Government Act 1972. The Horsham Procurement Code ensures a system of openness, integrity and accountability.
- 1.2. The Horsham Procurement Code is supported by the [Procurement Toolkit](#) which provides practical and more detailed advice about how to undertake commissioning and procurement exercises, including access to a suite of template documentation. There are useful links within the Horsham Procurement Code pointing to the relevant section of the Procurement Toolkit for further information. It is also supported by the Horsham DC Commissioning Framework and a [Joint Procurement Strategy](#) which outlines the future direction and deliverables of strategic commissioning and procurement. The toolkit will be updated on a regular basis to address queries and issues that arise.
- 1.3. Heads of Service have responsibility for all commissioning and procurement activity within their Department and they should ensure that any officer unfamiliar with undertaking a commissioning or procurement project seeks the necessary support and advice from their line manager and the Procurement Team. It is a requirement that the Procurement Team are informed at the time of project definition of any contract with a potential aggregate value of £50,000 or above for goods and services and £100,000 or above for works. The most convenient way of doing this is via the completion of a [Procurement & Contracts Checklist e-form](#) (see section 8).
- 1.4. It is also a requirement of the Horsham Procurement Code that any contract value of £50,000 or above for goods and services and £100,000 or above for works will be subject to the Council Project Management methodology, unless otherwise agreed by the Senior Leadership Team.
- 1.5. Procurement and Commissioning decisions are important because the money involved is public money and the Council is concerned to ensure that high quality goods, works and services are provided. Efficient use of resources in order to achieve *best value and to achieve the required outcomes* is therefore an imperative. The Council's reputation is equally important and should be safeguarded from any accusation of dishonesty or corruption. In accordance with Section 5B of the Council's Constitution, Officer Code of Conduct: Confidential Reporting Code (Whistle Blowing Policy) all employees have a duty to report breaches of the Horsham Procurement Code to the Commissioning and Performance Manager immediately they become aware of it.

- 1.6. The Horsham Procurement Code applies to all procurement by the Council of works, goods and services. They do not normally apply to acquisitions and disposals of land or buildings. The Horsham Procurement Code applies to all Council employees and elected Members. The Commissioning and Performance Manager shall have responsibility for maintenance, update and issuing the Horsham Procurement Code.
- 1.7. The Council is committed to supporting small and local businesses within the principles of equality, transparency and non-discrimination established in the EU Procurement Directives. At times these principles can appear contradictory but there are measures which the Council can take to support small and local businesses, these include:
- Voluntarily advertising requirements below £50,000 on the Council website and SE Shared Services ePortal;
 - Dividing requirements into smaller packages (by value or size) of work in order smaller suppliers have an opportunity to bid;
 - Ensure tender documents are easy to understand and that all evaluation criteria are relevant and proportionate to the value and level of risk of the requirement;
 - Make it a contractual requirement in the Council's key contracts that the Contractor shall advertise any sub-contracting opportunities through the same media used by the Council;
 - Ensure Council contracts with *Main Contractors* have a contractual requirement for the same prompt payments mechanism to all sub-contractors employed in delivering the services or project;
- 1.8. Every contract or official purchase order for works, goods or services made by the Council shall be for the purpose of achieving the Council's statutory or approved objectives and shall conform to all relevant English and European Union legislation.
- 1.9. Commissioning and Procurement is a complex area and as the Horsham Procurement Code sets out legislation and the rules that need to be followed it can seem daunting because it covers all potential procurements. Many aspects of the Code will not apply to individual procurements. If you want advice or further information, concerning this Horsham Procurement Code, you can contact any of the following officers:-

Mark Pritchard Commissioning and Performance Manager
Roger Dennis Joint Procurement Adviser
Jo Newton-Smith Procurement Manager
Paul Cummins Head of Legal and Democratic Services

2. **ROLES AND RESPONSIBILITIES**

2.1 **Heads of Service:**

2.1.1 The Head of Service has responsibility for all commissioning and purchasing activity and contracts tendered and let by his/her Department and for ensuring such activity is undertaken in compliance with the Procurement Code. He/she is accountable to the Cabinet for the performance of his/her duties in relation to contract letting and management, which are:

- Comply with the rules set out in the Horsham Procurement Code, the Councils *Financial Regulations*, the Code of Conduct for Local Government Employees, the Public Contract Regulations 2015, and with all other relevant UK legislation such as the Equality Act 2010, Public Services (Social Value) Act 2012, etc., and any additional guidance issued by the Cabinet Office;
- To ensure compliance with any guidelines issued in respect of the Horsham Procurement Code and to follow the principles of the Horsham Commissioning Framework;
- To ensure commissioning and purchasing activity complies with all relevant Council policy;
- To ensure that when it is proposed to use a Framework Agreement checks have been undertaken that the Council has been clearly identified in the advertisement and that any subsequent procurement complies with rules of the Framework Agreement. If the Head of Service is in any doubt of these matters he/she should contact the Procurement Team.
- To ensure that the Council's legal responsibilities under the Public Contract Regulations 2015 are fulfilled when participating in a joint procurement process led by another authority.
- To take immediate action in the event of a breach of the Horsham Procurement Code within his or her area including informing the Commissioning and Performance Manager of the breach;
- Ensure that there is an adequate approved budget prior to commencement of any formal procurement procedure to cover the full cost of the goods, services or works to be procured
- To ensure that where required, Cabinet Member approval for specific projects is obtained prior to committing expenditure and that the Cabinet Member is kept up to date with the progress of procurement exercises
- Ensure that agents, consultants and contractual partners acting on their behalf also fully comply with these requirements.
- Seek and take due account of all necessary legal, financial and professional advice.
- In accordance with Part 5B of the Council Constitution (Officer Code of Conduct) ensure that he/she or any member of their staff (including any temporary staff or employed consultants) formally declare any personal or financial interest in a contract which may (or be perceived by another person to) inhibit their impartiality in recommending or agreeing to the contract award.
- Ensure a purchase order is issued using the Council's financial management system for all purchases.
- Not enter into any leasing agreements or other forms of borrowing, including the set up of store or credit cards other than those arranged or approved by the Head of Finance.

- Not accept *tenders* or enter into contracts for the acquisition or maintenance of information technology hardware and software without having previously consulted and secured the agreement of the Head of Census ICT prior to the start of any commissioning or procurement process;
- Comply with the Council's Local Government Transparency Code (see section 20) obligations by promptly submitting information about any Invitation to Tender, commissioned activity or procurement over £5,000 immediately it has taken place
- Ensure that the Council's Contract Register is updated with the details of any new, or extension to an existing, contract or agreement with a value of £5,000.00 or more.
- Keep records and documentation of all procurement exercises (see section 15 of the Horsham Procurement Code for details of how long records need to be kept)
- Ensure that undisputed invoices from suppliers are paid within 30 days or any shorter timeframe dictated by Council Policy. Where the Council's contractor engages sub-contractors ensure the same prompt payment benefits are passed to them
- To ensure that where these responsibilities are delegated to other officers within their Department that these officers are familiar with the provisions of the Horsham Procurement Code and that they have received appropriate training before undertaking any procurement activity.

2.2 Commissioning and Performance Manager

- 2.2.1 The Commissioning and Performance Manager will ensure that:
- The Horsham Procurement Code and Procurement Toolkit are kept up to date and easily accessible
 - Training is available to Officers and Members

2.3 Head of Legal and Democratic Services

- 2.3.1 The Head of Legal and Democratic Services will ensure that:
- The Council's Procurement Code is kept up to date of any relevant legislative changes and any changes to the Council's Constitution.

PART B – PRE-PROCUREMENT CONSIDERATIONS

3. PRE PROCUREMENT CONSIDERATIONS – COMMISSIONING AND PROCUREMENT

3.1 Horsham District Council District Plan Priorities states the Council will ensure that all necessary steps will be taken ensure that it acts as a Commissioning Council from 2015/16. This is to secure delivery of sustainable quality services for our customers that are designed around their present and future needs that ensures successful outcomes are achieved through the most efficient and appropriate modes of delivery. This will be achieved by application of transparent, equitable and measurable processes providing value for money and effective returns of investment economically and socially. The application of the Horsham Procurement Code is a key factor in achieving this requirement.

3.2 Commissioning and Procurement are complementary activities. Procurement provides the mechanisms and means by which the outcomes determined by commissioned decisions are put into place. To ensure outcomes that have been commissioned are achieved Procurement has to deploy a strategic approach through adopting and implementing a Strategic Sourcing Strategy, Strategic Relationship Management and the principles of Sustainable Development. Their role is providing advice and guidance to internal teams on legally compliant and economically efficient means of procuring goods and services.

3.3 The Procurement team takes an active partnership role in project teams managing higher value tender processes, and leads corporate contracting exercises. This is in accordance with the internal procedures contained in the Procurement Code and, where applicable, relevant UK Regulations which implement EU Directives. The key issue is that Procurement shall be involved in the Commissioning process from the initial stages proving the operational expertise to implement the strategic outcomes determined by a commissioning council. Attention will have to be given to ensuring that the gearing between the commissioning and procurement cycles is smooth and precise.

3.4 The Procurement team has a crucial role as the main agents in implementing and advising on Commissioning decisions. It is essential that they have detailed involvement from the outset. The Procurement team;

- shall be involved in any initial discussion in regard to Commissioning and the setting and achievement of outcomes;
- can advise in regard to what strategic approaches can be applied to the market and can advise on how compliance with procurement legislation and best practice can be maintained, and;
- will advise on strategic sourcing and provide market intelligence to ensure that best value for money is achieved and demonstrated though the application of transparent and equitable processes to facilitate fair competition in the provision of compliant services.

3.5 Further issues that will need consideration in regard to Commissioning/Procurement encompass several areas including;

- The Public Services (Social Value) Act 2012
- The Localism Act 2011
- Equality Impact Assessment (EQIA)
- Stakeholder engagement including co-design and co-production
- Compliance with other related legislation for example Data Protection and Security legislation
- Legal considerations including an appropriate form of contract/legal agreement
- Financial considerations such as minimum organisation turnover and whether a Performance Bond or Parent Company Guarantee may be required
- Project Management and Contract Management requirements

3.6 The Commissioning and Performance Manager and Procurement team can provide support and assistance in regard to these issues. To reiterate the key aspect to achieve the required outcomes is involvement of the Procurement team from the inception of any project.

4. STAKEHOLDER AND EARLY MARKET ENGAGEMENT

4.1 There are many types of Stakeholders, who they are, what motivates them and the outcomes they are seeking will vary from one service or project to another. Stakeholder engagement may take several forms such as:

- Customer intelligence – understand the customer and the outcomes they seek;
- Demand Review – to understand the type of service currently provided and the demand for it and whether there are alternative forms of service provision;
- Customer market – understand how customer demand is changing and evolving (e.g. have customers expectations changed?; does technology play a role in changing patterns of demand?; do the actions of other parties (e.g. withdrawal of a service by another agency) affect customer demand?)

4.2 Early market engagement with supply organisations which may be interested in supplying goods or providing services to the council is encouraged.

4.3 A structured dialogue with independent experts, trade association bodies or suppliers/organisations actually operating in the marketplace may help to identify the current capabilities, any new developments or innovations in the pipeline, and assist in estimating the cost of the requirements.

4.4 The advice obtained may be used to assist in the creation of the procurement documentation and inform how the procurement process is conducted but Heads of Service must ensure that such use does not distort competition or discriminate against any suppliers or organisations.

5. LOCALISM ACT 2011: COMMUNITY RIGHT TO CHALLENGE

5.1 The Act introduces a Right for organisations such as charities, voluntary bodies, Parish Councils and two or more Council employees to submit an expression of interest in running a council service.

- 5.2 The Council has an obligation to consider all expressions of interest and if the application is successful the Council must commence a procurement exercise in accordance with the rules laid down in the Horsham Procurement Code and, where applicable, the Public Contract Regulations and EU Procurement Directives.
- 5.3 Any procurement exercise arising from a successful application must be drawn up so as not to disfavour the applicant's aspirations (e.g. divide the requirement into smaller Lots), but must also ensure that the specification is sufficiently balanced that other organisations may bid.
- 5.4 The Director of Corporate Resources is responsible for receiving, validating and accepting or rejecting expressions of interest in accordance with the Community Right to Challenge.

6. DETERMINING THE CONTRACT VALUE

- 6.1. Prior to commencing a procurement exercise it is the responsibility of the Head of Service to estimate the *total value* of the contract or project. This will indicate which procurement route must be followed in order to comply with the Horsham Procurement Code. The estimated value means the aggregated value payable in Pounds Sterling exclusive of Value Added Tax.
- 6.2. The total contract value is based on the whole cost of ownership and therefore includes not only the purchase price but all the associated costs over the entire contract period (including any potential extension). These could include installation, training, maintenance, consumable items and disposal costs.
- 6.3 If the expenditure on an item, service or with a particular supplier is recurring then the likely expenditure over a 12 month period must be determined and multiplied by the length of the contract. Where the contract is for an uncertain duration, then as per the requirements of the Public Contract Regulations 2015, the total value shall be determined as the value of the requirement over a period of 48 months.
- 6.4 Where the requirement covers a number of suppliers providing the same goods, services or works then the contract value shall be the combined sum of all the individual contracts.
- 6.5 Where the Council is collaborating or acting on behalf of other public bodies then the contract value shall be determined as the combined sum of all the individual public bodies requirements.
- 6.6 Where it is intended to package the contract into several different "lots", e.g. based on geographical area or by particular type of requirements, then the contract value shall be the total value of all the combined lots.
- 6.7 In the case of Concession contracts (i.e. where the Service Users as opposed to the Council make payments to the contractor for use of the service) then the total value (i.e. turnover) of the contract must be used to determine the contract value. Procurements for Concession contracts should be undertaken in accordance with Section 13.2.

- 6.8. Contracts cannot be shortened in length to less than 48 months, or a contract requirement split into separate or smaller packages, solely to avoid an EU or local tender threshold.

7. DETERMINING THE PROCUREMENT ROUTE

- 7.1. All tender processes (any contract value of £50,000 and above for goods and services and £100,000 and above for works contracts)¹ must be notified in writing to the Procurement team. The most convenient way of notifying the Procurement Team is by the completion of the Procurement & Contracts checklist e-form (section 8.1).
- 7.2. The majority of the Council's procurement activity falls within the Goods and Services contract categories. The table below (7.13) identifies the procurement route required depending on the value of the contract. Works contracts are generally for construction related projects and therefore only used by a few Departments within the Council, the Works thresholds table can be found in section 25.
- 7.3. Where the requirement covers a combination of goods, services and/or works then the element with the greater value will determine the procurement route followed. For example the purchase of a piece of equipment (goods) for £10,000 together with building related works to fix it in situ costing £20,000 would be a Works contract. These rules also apply in circumstances where there may be a mixture of services some of which may be subject to the *Light Touch Regime*, see section 13.
- 7.4. In all instances, if there is a current corporate contract in place for the goods, works or services required then the corporate contract must be used and no further quotations or tenders are required. Details of corporate contracts are available on the procurement pages of the intranet.
- 7.5. The use of Framework Agreements is permitted for any value of contract, please see section 9 for further information on what a Framework Agreement is and how to access them.
- 7.6. Any procurement exercise triggered as a result of an Expression of Interest submitted under the Community Right to Challenge shall be undertaken in accordance with the requirements detailed in this Horsham Procurement Code.
- 7.7. With the exception of any employee-led mutual organisation tenders or quotations will not be invited or considered from individual Council employees, business partnerships in which a Council employee is a partner, companies in which a Council employee is a paid director or any business where a Council employee has an interest which exceeds a nominal value of £25,000 or one hundredth of the total issued share capital.
- 7.8. The selection and engagement of consultant architects, engineers and surveyors or other professional consultants shall be subject to section 21 of

¹ A Goods (Supply) contract covers the procurement of products e.g. stationery, vehicles, equipment etc. Services contracts are the procurement of skills and expertise provided by an individual or other organisation (e.g. grounds maintenance, facilities management, training etc.) Works contracts cover the procurement of any building work, building repairs and maintenance, construction, civil engineering etc.

this Horsham Procurement Code. *Consultants* shall be required to provide evidence of and maintain professional indemnity policies to the satisfaction of the relevant Head of Service for the periods specified in the respective agreement.

- 7.9 The requirement to seek written quotations or tenders shall not apply where the Council is:
- (a) seeking arbitration or conciliation services;
 - (b) seeking the advice of counsel;
 - (c) seeking services of counsel by way of representation;
 - (d) seeking the services of an expert witness;
 - (e) acquiring (or renting) or disposing of land or existing buildings or other immovable objects;
- 7.10 Certain partnerships arrangements with other organisations (usually other public bodies) to provide services on behalf of the Council may fall outside of the scope of the Public Contract Regulations 2015. Heads of Service should consult the Commissioning and Performance Manager or Head of Legal and Democratic Services if such a partnership is being considered.
- 7.11 The Council does not allow the use of Approved or Preferred Supplier Lists that have not been created by open competition. Such lists must be re-advertised every 4 years unless otherwise agreed by the Procurement Team.

7.13 Procurement Thresholds and Contract Award Procedure - Goods and Services Contracts (see 25 for Works contracts thresholds)

Total Value	Procurement Route	Short-listing of potential suppliers	Receipt of Quotes / Tenders	Contract Approval and Award	Method of Contract Completion	Transparency Code Obligations
Under £4,999.99	Evidence of value for money	Head of Service ¹	Head of Service ¹	Head of Service	Signature and or purchase order raised	Publish details of all contracts over £5,000 in Council's Contracts Register
£5,000 - £49,999.99	Three written quotations	Head of Service ¹	Quotations returned to Department and opened and reviewed by at least two officers	Head of Service.	Signature	Publish details of all contracts over £5,000 in Council's Contracts Register
£50,000 – EU Threshold (see intranet for current EU Thresholds)	Invitation to tender, to at least five Tenderers by advertisement on the Council's website the SE Shared Services Portal and <i>Contracts Finder</i> . Other media can also be used	Tenders to be evaluated by a minimum of two officers.	Tenders submitted via Council's secure e-tendering platform and electronically opened once closing date and time has passed.	Up to £100,000 Head of Service ² / Director / Chief Executive approval.	Up to £100,000 Signature	Advertise all tenders and publish details of the Contract Award on SE Shared Services Portal. Publish details of all contracts over £5,000 in Council's Contracts Register
				Over £100,000 Cabinet Member, Cabinet or relevant Committee	Over £100,000 Sealing	
Above EU Threshold	EU Procedure, or where this does not apply, invitation to tender to at least five Tenderers by advertisement on the Council's website, the SE Shared Services Portal, <i>Contracts Finder</i> and by advertisement in the Official European Journal. Other media may also be used.	Tenders to be evaluated by a minimum of two officers. Approval of shortlist by , Head of Service and relevant Director	Tenders submitted via Council's secure e-tendering platform and electronically opened once closing date and time has passed.	Cabinet Member, Cabinet or relevant Committee	Sealing	Advertise all tenders in OJEU and then SE Shared Services Portal. Publish details of Contract Award in OJEU and on SE Shared Services Portal. Publish details of all contracts over £5,000 in Council's Contracts Register

¹the Head of Service may delegate these functions in accordance with Section 3F, paragraph 1.4c of the Council's Constitution Scheme of Delegation to Officers

²in accordance with section 14 of the Procurement Code the following Heads of Service have authority to accept tenders and enter into contracts up to a value of £100,000. Head of Finance, Head of Census ICT, Property & Facilities Manager, Waste and Recycling Manager and Street Scene & Fleet Manager. For all other Heads of Service the threshold is £50,000.

8. PROCUREMENT & CONTRACTS CHECKLIST

8.1 Heads of Service should use the Commissioning and Procurement & Contracts e-forms for all procurements including Concession contracts over £50,000 in value, although it may also be used for lower value procurements. These e-forms serve as check-lists which can identify the particular requirements which may need to be incorporated into the project specification and contract. They cover the following elements:

- a) information to assist in drafting contract documents
- b) information to help identify the best commissioning or procurement route for the requirement
- c) information to help identify how the requirement may be best packaged to meet the needs of service users or residents including incorporating requirements of the Public Services (Social Value) Act 2012
- d) to identify how Equalities, Safeguarding and other legislative and Corporate requirements have been considered
- e) to identify whether there are any IT considerations such as Data Protection or Cyber Security requirements which need to be incorporated into the documentation;

Additional information may be found in the Procurement Toolkit

9. USE OF FRAMEWORK AGREEMENTS

9.1. A Framework Agreement is a contract that has been officially tendered for by another local authority, public sector organisation, Purchasing Consortium, or central Government. The contract is awarded to one or more suppliers, and has provision to allow other public sector bodies to use the contract without having to undertake their own tender process **so long as these public bodies have been clearly identified in the advert which led to the creation of the Framework Agreement.** Acquiring goods, works or services under a Framework Agreement can be a very efficient method of procuring the Council's requirements.

9.2 Framework Agreements may be used at any of the threshold levels as an alternative to the procurement routes identified in Tables 7.13 and 25 subject to 9.3 below. A framework agreement should only be used where the benefits justify its use.

9.3 Caution must be taken to follow the rules for accessing a Framework Agreement as these rules can vary from one Agreement to another. Failure to comply with the rules of a Framework Agreement could result in the Council being found in breach of the Regulations and either fined or have the contract cancelled. Guidance should be sought from the Procurement Team in order to:

- Establish if the Council can legally access the Framework Agreement;
- Check that the advertised total contract value of the Framework Agreement has not been exceeded;

- Determine whether the Council must enter into an agreement with the Authority that created the Framework Agreement prior to using it;
 - Establish the rules of the Framework Agreement governing the selection and invitation of organisations listed on the framework. Where no guidance is provided all organisations listed on the Framework Agreement shall be invited to tender in accordance with the local tender process outlined in this Procurement Code;
 - Establish the evaluation criteria that must be used on the framework agreement to determine the successful Tenderer;
 - Comply with any minimum requirements outlined in the Framework Agreement regarding the provision of information to the bidders;
 - Acknowledge that **only minor modifications** to the Terms and Conditions of the Framework Agreement are permissible. If more substantial contractual modifications are required the Council must tender for the requirement in its own right;
 - Comply with any minimum timescales for bidders to respond to the Council's Invitation to Tender;
- 9.4 Ensure that where the value of the requirement is £50,000 and above for goods and services or £100,000 and above for works, tenders are returned in accordance with Section 12.8;
- 9.5 Ensure that the provisions for the *Contract Award procedure* detailed in the Framework Agreement including any requirement to observe a "Standstill Period" are followed. In addition, the Council's procedure detailed in Section 14 on Contract Award must be followed.
- 9.6 Once use of the Framework Agreement has been concluded the Head of Service shall ensure details of the subsequent contract are published in accordance with the requirements of the Transparency Code and Council's Contracts Register detailed in with section 20.

10. **EXEMPTIONS**

- 10.1 There is provision within the Horsham Procurement Code for the requirements of obtaining quotations or tenders to be waived, however the following conditions apply:
- **NO exemptions can be made if the EU Procedure applies**
 - **NO exemptions can be made retrospectively.**
- 10.2 An exemption can only be applied when it is to the clear benefit of the Council to exercise an exemption. In considering whether an exemption is appropriate, an assessment needs to be made of the costs, benefits, outcomes and risks that follow should an exemption be agreed. An exemption shall only be agreed where the risks are proportionate to the benefits. The justification for an exemption must be evidenced in writing.
- 10.3 Although it is not an exhaustive list, it is likely that the grounds for the exemption will be one of the following:
- A contract is required as a matter of genuine urgency (e.g. flood alleviation/damage)

- There are sound reasons why there would not be a genuine competition and no reasonable alternative is available
 - The specification for goods and services is of a particularly specialised nature which only a very limited number of suppliers can meet and tenders will be invited from all suitable suppliers
 - The contract period cannot be accurately determined as the service area is undergoing review or restructure which may change future requirements. In these instances an exemption may be granted for a limited period of time in order to ensure the correct delivery model can be agreed prior to tender or quotation.
 - The Council's pre-set 70% Price, 30% Quality evaluation criteria for **tender** processes (see section 12.7.5) are not thought to represent best value for money for the requirement.
- 10.4 All exemptions and the reasons for them must be recorded using the [Procurement Exemption Form](#) on the intranet. The Head of Service seeking the exemption must provide clear and sufficient evidence why the contract matches one or more of the criteria set out above. **NOTE: this evidence may need to be provided to the Cabinet Office to explain why a procurement process was not undertaken.** If there is uncertainty whether the exemption is likely to be granted advice should be sought from the Procurement Team.
- 10.5 All exemptions for a contract value of £49,999.99 or less must be approved by; the relevant Head of Service, the Head of Legal and Democratic Services and the Director of Corporate Resources. A copy of the approved electronic Exemption Form shall be emailed to the relevant Head of Service, the Procurement Team and to Democratic Services for recording in the electronic database of delegated decisions managed by the Director of Corporate Resources.
- 10.6 All exemptions for a contract value of £50,000 and above must be approved by the relevant Head of Service, the Head of Legal and Democratic Services and Director of Corporate Resources or Chief Executive in consultation with the relevant Cabinet Member. A copy of the approved electronic Exemption Form shall be emailed to the relevant Head of Service, the Procurement Team and to Democratic Services for recording in the electronic database of delegated decisions managed by the Director of Corporate Services.
- 10.7 If an exemption is agreed it will still be necessary to accurately complete the contract administration procedures such as contract formation and checking of insurances and recording in the Contracts Register (section 20) in a timely manner.

PART C – QUOTATION PROCEDURE

11. QUOTATION PROCESS

- 11.1 Where the estimated value or amount of a proposed contract is £4,999.99 or less and provision has been made in the Council's annual budget for such expenditure, the Head of Service concerned shall have the authority to enter into any such contract provided they are satisfied that the Council is receiving value for money. A purchase order must be raised for all purchases via the Council's financial management system.

- 11.2 Any contract valued between £5,000 and £49,999.99 for goods and services or between £5,000 and £99,999.99 for works should follow the formal quotation process (see bullet points 11.3 to 11.11 below). If there is any doubt whether the contract may exceed £49,999.99 (goods and services) or £99,999.99 (works) then a formal tender and contract award process in accordance with section 14 must be followed.
- 11.3 A request for quotation shall, **where appropriate**, contain the following information (check the [Procurement Toolkit](#) for up to date list of requirements and access to all the standard documents):
- Background information and Instruction to bidders – concise relevant information about the Council, and details of the quotation procedure
 - A statement that the Council is not bound to accept any quotation and that all submissions are at the supplier's own cost
 - Details of any minimum levels of financial, legal and/or technical capability required of the bidder – see paragraph 11.4 below.
 - Evaluation criteria and process that will be used
 - The Specification – details the goods, services or works that are required
 - Council Contract Terms and Conditions in a form approved by the Head of Legal and Democratic Services.
 - Price Schedule – a form for the bidder to complete with their quotation pricing information
 - Method Statement – a series of questions asking the bidders to outline how the goods or service will be delivered (if appropriate to the contract)
- 11.4 The minimum criteria for participation must be clearly stated so the supplier can self-assess whether they meet these criteria. The minimum criteria applied shall be relevant and proportionate to the value and/or risk of the requirement. **Any minimum turnover threshold must be limited to not more than two times the total value of the contract.** Documentary evidence that the supplier meets these criteria should only be sought from the preferred bidder prior to making the formal contract award decision.
- 11.5 As a minimum three suppliers, one of whom ideally should be a local² supplier, must be formally requested to provide a written electronic quotation. Suppliers can be chosen by any means deemed suitable by the Head of Service including use of the SE Shared Services Portal where suppliers that have expressed an interest in working with the council register their interest. Where there are less than three suppliers that can be invited to bid for the goods or service then this must be evidenced by the Head of Service by using the procurement exemption process as detailed in section 10.
- 11.6 The quotation process must be transparent and all suppliers invited to submit a quotation must be issued with the same information at the same time and subject to the same conditions. Should any further information be issued this must be given to all suppliers on the same basis. A reasonable timescale for response must also be given.
- 11.7 A record of all correspondence between the council and the suppliers shall be maintained. Details of any additional information provided to tenderers and any clarification questions from tenderers shall also be recorded. Responses

² Local is defined as located within the boundaries of Horsham District Council

to general clarification questions received shall be issued to all suppliers except where the question is of a commercially sensitive nature unique to a particular supplier. In such cases the response shall only be communicated to that particular supplier.

- 11.8 Should the procurement process need to be extended this must be communicated to all suppliers allowing sufficient time before the closing date to ensure that no quotations may have already been submitted.
- 11.9 Quotations must be submitted electronically to a frequently monitored email address.
- 11.10 After evaluating the quotations the Head of Service must notify all the suppliers of the award decision in writing as soon as practicable, including an offer to provide feedback to unsuccessful suppliers if requested.
- 11.11 The Head of Service must ensure that details of the contract award and successful organisation are published in accordance with the requirements of the Transparency Code and the Council's Contracts Register (see section 20)
- 11.12 All documentation must be kept for a minimum of 12 months. The successful quote should be kept for the duration of the contract period. (See section 15 for more information on record keeping).

PART D – TENDER PROCEDURES

12. TENDER PROCESS

12.1 Scope

12.1.1 There are four main types of tender process:

- a) "Local Tender" - defined as any procurement process below the relevant EU Threshold (see intranet page for current Thresholds);
- b) "EU Tender" – defined as any procurement above the relevant EU Threshold;
- c) "Light Touch Regime Tender" – a tender for certain categories of Services, including health, social services, sports/leisure, and certain legal services, which are outside the full regulations of the EU Procurement Directives. Further details may be found in section 13.1;
- d) "Concessions Contract" – normally an arrangement where the Service Users as opposed to the Council make payments to the contractor for use of the service. Concession contracts normally follow a "Local Tender" process irrespective of the value. Further details may be found in Section 13.2.

12.1.2 The duration of a Tender process will be dependant upon the complexity of what is being procured and the type of procurement process being undertaken. The key milestones are detailed in the Procurement Toolkit,

however broadly speaking a local tender process will on average take 3 to 4 months and an EU tender 3 to 12 months depending on the complexity of the requirement.

12.1.3 Local tenders for Goods and Services **must** be conducted as single stage 'open' tender exercise, without the use of any Pre-Qualification Questionnaire (PQQ), unless there are exceptional reasons. An 'open' tender exercise is where the Council advertises the opportunity and all interested parties may complete and return the full tender documentation. Local tenders for Works projects or "Light Touch" Services above £172,000 may use the national standard PQQ which may be found on the Procurement Intranet pages. NOTE: There is very little scope to amend the standard PQQ.

12.1.4 There are several EU tender routes available and the Head of Service in conjunction with the Procurement Team must determine the most suitable type of procurement route to follow. The two most common routes are 'open' and 'restricted'.

- An 'open' tender exercise is where the Council advertises the opportunity and all interested parties complete and return the full tender documentation. This type of process tends to be used when there are few suppliers in the market that can provide the goods or services required;
- A 'restricted' tender exercise is a two stage process available on EU tenders where the Council advertises the opportunity and all interested companies have to submit evidence demonstrating they can meet minimum financial, legal and technical capabilities required by the Council. A Pre-Qualification Questionnaire (PQQ) may be used to obtain the evidence required to identify suitable companies for Invitation to Tender.

12.2 Conduct of the PQQ and Tender process

12.2.1 The Head of Service shall ensure that every PQQ and Tender process undertaken is transparent and that all participants are treated fairly and equally at all times throughout the process. In particular:

- ensure that competition is not distorted in circumstances when some participants in a procurement exercise may have previously assisted the Council in preparation of the procurement documentation (e.g. via a market engagement exercise). As a minimum any additional background information which the council provided to participants during a market engagement exercise should be made available to all participants of the procurement exercise;
- all participants should have access to the full procurement (PQQ or tender) documentation electronically free of charge from an appropriate web site (e.g. Council web site) or e-tendering system as soon as the advert is published. If a PQQ is to be used it must be the template document located on the Procurement intranet page and it must not be amended;
- a record should be maintained of all the correspondence between the

council and the participants including details of any additional information provided to participants and any clarification questions from participants which should be submitted in writing by email.

- a reply should be issued to all participants answering those clarification questions of a generic nature. Clarification questions specific to a particular participant or containing information of a commercially sensitive nature should only be communicated to that particular participant.
- Should the procurement process need to be extended this must be communicated to all participants allowing sufficient time before the closing date to ensure that no submissions may have already been received.

12.3 Advertising of Tender Opportunities

Local Tenders

12.3.1 **NOTE: The full set of tender documents must be ready and published on the website at the time the advertisement is placed.** All local tender exercises must be advertised by the Procurement Team on the Council's website and the SE Shared Services Portal as a minimum. Other media can also be used to ensure adequate market penetration. The advertisement must remain on these sites **for at least 28 days** and contain details of the tender exercise including timescales, any minimum selection criteria the suppliers will be expected to meet, details of the award criteria and evaluation process and a link to the website where the tender documents are published.

EU Tenders

12.3.2 All EU tenders must be advertised by the Procurement Team in the Official Journal of the European Union (OJEU), and comply with the minimum EU timescales and information that must be provided.

12.3.3 The advert should also be placed on the SE Shared Services Portal and other websites and media can also be used to ensure adequate market penetration but the OJEU advertisement must be published first.

12.3.4 The OJEU advertisement must state whether contract variants will be accepted. If nothing is stated no alternative proposals to the specification may be considered.

12.4 Pre Qualification Questionnaire and Short-listing

12.4.1. If you are undertaking a tender over £172,000 where use of a PQQ is permissible then the standard Pre-Qualification Questionnaire (PQQ) found on the Procurement intranet page must be used to short-list suppliers for invitation to submit a formal tender. The PQQ template is a mandatory format with very limited scope to add or amend questions, wording or format of the template.

12.4.2 The Selection Criteria, weightings and any minimum pass-mark must be clearly communicated to potential suppliers either as part of the advertisement or in the PQQ documentation. Selection criteria deal with the ability of the supplier to satisfy certain minimum levels of economic and financial standing,

legal capacity and/or technical or professional ability including past experience (see the Procurement Toolkit for more information).

12.4.3. Suppliers invited to respond must be given the minimum EU time period of 30 days in which to prepare and submit a PQQ electronically to the relevant Head of Service or their Department and a log should be kept of all PQQs returned. Details of minimum timeframes are detailed in the [Procurement Toolkit](#).

12.4.4 The Procurement documents must be published at the same time as the advertisement and shall contain the following information (see the procurement toolkit for standard documentation and further guidance):

- Instructions to Tenderers – concise information about the Council and its corporate objectives, details of the requirements and the timetable for completion; full details of the evaluation process including any minimum requirements suppliers must be able to meet and all the assessment criteria and weightings which will be used; details of the minimum [should not be less than five (5)] and/or a maximum number of companies to be invited to tender.
- Draft specification – detailing the Council's requirements
- Draft Council Contract Terms and Conditions – all contracts shall be in writing in a form approved by Head of Legal and Democratic Services.
- The Pre-Qualification Questionnaire
- Freedom of Information Form

12.5. PQQ Evaluation Process

12.5.1. The Head of Service must ensure that the PQQ/Selection process is transparent and that all applicants are treated fairly and equally at all times throughout the process. In particular:

- Confidentiality of PQQ submissions, and the identity of Applicants are preserved at all times
- Information about one Applicant's response is not to be given to another Applicant
- PQQs must be evaluated only in accordance with the Selection Criteria detailed in the advertisement/documentation, additional criteria or sub-criteria **must not** be used.
- a thorough PQQ evaluation is undertaken by a minimum of two appropriately qualified officers
- advice is sought from the relevant Service Department (or it may be agreed that the relevant Service Department undertakes the evaluation) on any areas of Selection Criteria that require specialist knowledge in order to evaluate effectively e.g. Financial Information, Equalities and Diversity, Health and Safety, Sustainability etc
- That there is a formal detailed record of how the evaluation process was conducted and the shortlist of those companies Invited to Tender (ITT) was reached. In particular details must be kept of all the discussions and outcomes of any moderation meeting where officers evaluating the

submissions have discussed and amended or averaged participants scores, and the reasons for these amendments recorded.

- the PQQ evaluation scoring spreadsheet and assessment is independently checked for accuracy before the Invitation to Tender (ITT) is drawn up

12.5.2. Upon conclusion of the PQQ evaluation process the Head of Service must write to all unsuccessful applicants advising them of the reasons why they have been unsuccessful, allowing a short period of time for the applicants to request further information as required. If the applicant requests further information or a formal debrief this should be provided. Further details may be found in the Procurement Toolkit.

12.5.3. Heads of Service are advised to wait 5 days after the unsuccessful applicants have been advised before issuing the Invitation to Tender to the successful companies.

12.6. Invitation to Tender Pack

12.6.1. Tenderers must be given an adequate period in which to prepare and submit a proper tender consistent with the urgency of the contract requirement. For local tenders this should not be less than a period of **28 days**, unless there is a justifiable reason. For EU tenders it should be the minimum period stipulated for the particular procurement route. See the [Procurement Toolkit](#) for further guidance.

12.6.2. Invitations to tender must be proportionate to the value and level of risk associated with the requirements but shall include the following (**see the [Procurement Toolkit](#) for access to all standard documentation templates and further guidance**):

- Instructions to Tenderers – Concise information about the Council, what the requirements are, how they link with the Council's corporate objectives, the timetable for completion; full details of any minimum financial/technical/suitability requirements suppliers must be able to meet, the evaluation criteria and weighting, including any sub-criteria that will be used to award the contract, and details of the evaluation procedure including any presentations/ interviews that may be required
- Final specification – detailing the Council's requirements in sufficient detail to enable the submission of competitive offers
- Council Contract Terms and Conditions - all contracts shall be in writing in a form approved by the Head of Legal and Democratic Services.
- Freedom of Information form
- Price Schedule – a clearly structured form enabling the bidder to easily complete with full details of all the tender prices excluding VAT
- Method Statement – a series of questions asking the bidders to outline how the goods, works or service will be delivered (if appropriate to the contract)
- Form of Tender

12.7. Evaluation Criteria

12.7.1. The evaluation criteria are those used to determine which tenderer(s) are awarded the contract. NOTE: All evaluation criteria and assessment process that will be followed to generate the marking scores must be fully detailed in the tender documentation. **No additional criteria can be added following publication of this document.**

“Selection” Criteria

12.7.2 “Selection” criteria are those normally assessed via a PQQ and cover elements such as suppliers’ capability, capacity and past experience, for example to satisfy minimum levels of economic and financial standing, and / or technical or professional ability. These **minimum requirements which suppliers need to meet must be clearly stated in the tender documentation** and evidence of compliance submitted or a link provided to a website where this information is stored.

12.7.3 In the case of an ‘open’ tender the minimum requirements should be stated as per 12.7.2 above but the evidence on the tenderer’s compliance **shall not be requested** until after the Award Criteria (see 12.7.5 – 12.7.8 below) have been evaluated and a Preferred Bidder(s) has been identified.

12.7.4 The Selection criteria information which the supplier(s) may be asked to confirm (and subsequently to provide documentary supporting evidence) are:

- Evidence that they fulfil the mandatory requirement and discretionary requirements (where applicable) relating to disclosure of criminal and misconduct offences required by Regulation 57 of the UK Public Procurement Regulations, 2015. See Procurement Intranet Pages for full list;
- Evidence that they shall hold valid public liability and Employers liability insurance or other required insurances at the values required by the council (or that they are prepared to obtain such levels of insurance cover by the start of the contract). The types and level of insurance cover required will be determined by the nature of the requirement. The Council’s Accountancy Section can provide further guidance.
- Evidence of a sound financial standing – this will normally be through an assessment of audited trading accounts or other official financial/trading records approved and assessed by the Council’s Accountancy Section. The requirements should be based on the relative value and risk of the requirement and the method of assessment to be used should be detailed in the tender documents. If a minimum turnover threshold is required this shall not exceed twice the estimated contract value and again must be stated in the tender documents. The Accountancy Section can provide advice on these matters.
- Evidence that they possess the necessary experience, skills and ability to perform the type of contract for which they are bidding;

- Satisfactory trade/customer references from existing Public or Private Sector organisation client (optional);
- A copy of their company Health and Safety Policy and Plan and confirmation that the supplier conforms with statutory obligations;
- A valid CIS tax exemption certificate (for construction related contracts only);
- Evidence of their Equalities Policy, and Environmental Policy and monitoring arrangements and confirmation that the supplier conforms with statutory obligations (optional depending upon the type of procurement);

“Award” Criteria

12.7.5 The Council shall evaluate contracts on the basis of the offer which is the most economically advantageous to the Council based on price or cost-effectiveness using a model such as the whole life cost cycle criteria outlined in 12.7.8 below and the Procurement Toolkit. The criteria at Award stage are split into Price and Quality criteria and given a percentage weighting. **Unless otherwise agreed by the Director of Corporate Resources the criteria for the Price element must be not less than 70% and not more than 90% of the evaluation criteria. Director agreement shall be documented in writing by means of a completed Procurement Exemption e-form.**

12.7.6 Award evaluation criteria are used in the tender to assess the ability of those Suppliers invited to tender to meet the Council's specification and the cost of providing the service. This is often referred as the Most Economically Advantageous Tender (MEAT) evaluation. The Tenderer should be requested to complete method statements to evidence that they are capable of meeting the Award Criteria. The criteria used must be linked to the requirements and be proportionate to the value and level of risk associated with the requirement. Award evaluation criteria may include the following:

- Quality of the requirement, including any relevant technical or functional requirements of the item/service;
- Equalities/accessibility considerations;
- Relevant social and environmental criteria;
- Innovation;
- Qualification and experience of staff assigned to undertake the contract (where this can have a significant impact of the quality of contract performance);
- delivery timescales, installation and commissioning, customer services, technical assistance, maintenance, etc.;
- Presentations and/or site visits.

12.7.7 The Award evaluation criteria used to determine the award of the contract **MUST** be clearly detailed in the tender advert and / or in the tender

documentation. This information must include details of the relevant weighting of each question or section and detail any sub-criteria used and the method by which the suppliers' responses will be assessed. Furthermore, if there is any minimum pass-mark requirements for specific technical sections these must also be detailed in the tender documentation.

- 12.7.8 The evaluation of the pricing element must be undertaken on the basis of the most economically advantageous tender and must be based on whole life cost cycle criteria where relevant. These may include:
- Costs relating to acquisition (e.g. equipment purchase price, installation costs, training, consultancy costs, etc.);
 - Costs of use (e.g. consumption of energy, etc);
 - Maintenance costs;
 - End of life costs such as collection and disposal or recycling;

Heads of Service should consult with the Procurement team before using any of these whole life cycle criteria.

12.8. **Tender Receipt and Opening**

12.8.1. *Electronic Receipt (e-tendering)*

12.8.1.1. Where the procurement route has been agreed as an e-tender exercise using the Council's approved e-tendering solution, all information must be submitted via the e-tendering solution by the date and time stipulated in the *Invitation to Tender*.

12.8.1.2. All tenders will be stored electronically by the e-tendering provider in a secure inbox. Access to the system will be password protected at individual user level. Only once the deadline for receipt has passed will the e-tendering system allow the user to login and electronically open the tenders.

12.8.1.3. Use of any other electronic tendering or bid submission portal/system (e.g. G-Cloud) to receive tenders or quotes via Framework Agreements shall be subject to the prior approval of the Procurement team.

e-auctions

12.8.1.4 If the Head of Service wishes to use an e-auction to fulfil the requirement, use of such system shall be subject to the prior approval of the Procurement team.

12.8.1.5 By using e-auctions it is customary in the case of late bids being received that the time (but not the date) for the receipt of tenders is extended to give rival bidders an opportunity to respond. Provided that such arrangements are set out in the tender details this procedure shall not be a breach of the Horsham Procurement Code.

12.8.2. Hard Copy Postal Receipt

12.8.2.1. All Tenders estimated to have a total value of £50,000 or above for goods and services, and £100,000 or above for works which are not submitted to the Council via the e-tendering system must be returned to Democratic Services in a sealed envelope bearing the word "Tender" followed by the name of the tender and the date for return. The envelope shall not bear any other mark to indicate the identity of the tenderer. The Protocol outlined below should be followed for paper tenders.

- a) The Head of Service must notify Democratic Services well in advance of the closing date for receipt of the invitation to tender, including details of the goods/services or works the subject of the tender, receipt of tender date/time, list of potential Tenderers, estimated contract value and officer(s) and Member(s) to be invited to the opening.
- b) The Democratic Services Officer shall be responsible for the safekeeping of all Tenders until opening. Receipt of each Tender must be:
 - date-and time-stamped and receipted to indicate whether received by hand or by post
 - initialled by the receiving officer
- c) The Democratic Services Officer must ensure that all Tenders are opened at the same time when the period for their submission has ended. At the opening, all tenders received within the proper timescale must be logged in the Tenders Register, recording the following:
 - the last date and time for the receipt of tenders;
 - the date and time upon which the tender was actually received and the receipt number;
 - the estimated tender price;
 - the name of the tenderer and the total amount of the tender;
 - the date and time that the tenders were opened;
 - the signature and names of all those present at the opening;
 - the signature of the officer to whom the tenders were handed after opening together with the details of the number of tenders and identity of the tenderers.
- d) Tenders must be opened in the presence of:
 - i. for contract values not exceeding £100,000 the Chief Executive or relevant Director and the relevant Head of Service or such officer as each respectively shall have designated for the purpose;
 - ii. for contract values over £100,000 the Leader or other Cabinet Member, the Chairman or other member of the appropriate Committee together with the Chief Executive, relevant Director and relevant Head of Service or such officer as each respectively shall have designated for the purpose;

Tables 7.13 and 25 summarise which Council representatives are required to be present.

- e) Upon opening, a record of the value of the Tender or Quotation must be recorded in the Tenders Register. The summary must be initialled on behalf of the Director of Corporate Resources.
- f) No tender received after the closing date and time stipulated in the Invitation to Tender will be considered unless the Head of Legal and Democratic Services is satisfied that there is evidence of it having been despatched in sufficient time to have arrived before the closing date and time.

12.9. Tender Evaluation Process

12.9.1. The Head of Service must ensure that:

- The scoring/assessment model in the evaluation spreadsheets are independently checked by another officer not involved in the procurement prior to the spreadsheet being used
- Confidentiality of Tenders, and the identity of Tenderers, is preserved at all times
- Information about one Tenderers response is not to be given to another Tenderer
- Tender submissions must be evaluated and awarded in accordance with the Selection and Award Criteria
- A thorough tender evaluation is undertaken by a minimum of two officers.
- Advice is sought from the relevant Service Department (or it is agreed that the relevant Service Department undertakes the evaluation) on any areas of Selection Criteria that require specialist knowledge in order to evaluate competently and effectively e.g. Financial Information, Equalities and Diversity, Health and Safety, Sustainability etc. This should be scheduled with the relevant Service Department well in advance
- There is a formal record of how the evaluation process was conducted and the contract award recommendation was reached. In particular details must be kept of the discussions and outcomes of any moderation meeting if officers evaluating the tender submissions have discussed and amended or averaged tenderers scores, and recorded the reasons for these amendments
- The tender evaluation process and the evaluation scoring spreadsheet is independently checked before a Contract Award Recommendation is made

12.9.2. The arithmetic content in Tenders must be checked. If arithmetical errors are found in the tender they should be notified to the Tenderer, who should be requested to confirm or withdraw their Tender, in writing.

12.9.3. Where appropriate, the Head of Service shall ensure that submitted tender prices are compared with any pre-tender estimates and that any discrepancies are examined and resolved satisfactorily, in particular:

- to be alert to the risk of collusion between tenderers and aware of indications of potentially anti-competitive behaviour and report any suspicious bidding activities to the Procurement team;
- to be alert to the possibility of receiving an Abnormally Low Bid from one or more tenderers. If an Abnormally Low Bid is suspected the procedure outlined in section 12.11 below shall be followed.

12.10. Post-Tender Negotiation

12.10.1 Post-Tender Negotiation means negotiations with any Tenderer after submission of a Tender and before the award of the contract with a view to obtaining adjustments in both price and content. Public Procurement rules only allow limited negotiation on certain types of procurement route. It is not allowable on most EU Tenders procedures.

12.10.2 Post-Tender Negotiation must only be conducted in accordance with any guidance issued by the Commissioning and Performance Manager and Head of Legal and Democratic Services who must be formally consulted:

- wherever it is proposed to enter into Post-Tender Negotiation, and
- about whether the negotiation is to be with all Tenderers.

12.10.3. Post-Tender Negotiations must be conducted by a team of at least two officers.

12.10.4. In all cases where Post-Tender negotiations result in a fundamental change to the specification or contract terms, guidance shall be sought from the Commissioning and Performance Manager and the Head of Legal and Democratic Services prior to any award decision.

12.10.5 If Post-Tender Negotiations are necessary then such negotiations shall only be undertaken with the Tenderer who has previously been identified as submitting the most economically advantageous Tender. The Head of Service shall ensure that there are recorded minutes of all Post-Tender Negotiation meetings and that both parties agree actions in writing.

12.11 Abnormally Low Bids

12.11.1 In the event that the Head of Service believes that one or more of the bids received from Tenderers may be an *Abnormally Low Bid* they should consult with the Procurement team and Head of Legal and Democratic Services to review the bid(s) submitted and for support throughout the clarification process. A bid may be regarded as being Abnormally Low if there is a significant difference in price between the bid and other bids received.

12.11.2 If it is still believed that the bid(s) may be an Abnormally Low Bid then the Head of Service should request in writing from the Tenderer an explanation of the bid, or the parts thereof, which contribute to the bid being Abnormally Low. When seeking an explanation the information requested may include:

- a) detailed breakdown of the costs associated with the method of construction proposed, the manufacturing process or the services provided
- b) more information about the technical solutions proposed by the Tenderer and whether there are particular factors (e.g. innovative service model) which may give the Tenderer a competitive advantage;
- c) whether the works, goods or services proposed are exclusive to the Tenderer
- d) that the bid is compliant with provisions relating to environmental, social and labour laws, sub-contracting, etc. established by EU or national laws or collective agreements
- e) whether the Tenderer may have obtained State Aid

12.11.3 Tenderers shall not be allowed to modify Abnormally Low Bids

12.11.4 In determining whether the bid(s) is an Abnormally Low Bid the Head of Service, Procurement team and Head of Legal and Democratic Services should take into account the evidence provided by the Tenderer in response to the written request and verify the bid, or parts of the bid, being considered abnormally low with the Tenderer.

12.11.5 If after reviewing the evidence provided by the Tenderer in response to 12.11.2 it still does not satisfactorily explain the low level of price submitted by the tenderer then the Head of Service in consultation with the Head of Legal and Democratic Service may reject the bid(s) as an Abnormally Low Bid and in such case shall **immediately** notify the Tenderer that the bid is being rejected. Abnormally Low Bids must be rejected before Contract Award.

12.11.6 Where a tender is rejected on the basis of being an Abnormally Low Bid because the tenderer has received State Aid then the European Commission must be informed.

12.12 Acceptance of Tenders – Contract Award Recommendation

12.12.1 In the case of a tender following the Restricted procedure where the Selection criteria have already been assessed using a PQQ then the Head of Service should produce a Contract Award Recommendation report and seek approval in accordance with Section 14 below

12.12.2 In the case of tenders following either the Open procedure, or a Restricted procedure tender in which the supplier has been allow to submit a self-declaration stating that they meet the minimum criteria, then, once the tender evaluation process has been concluded and the Preferred Bidder(s) identified Heads of Service should:

- Request the appropriate documentary evidence in respect of the minimum Selection Criteria (see section 12.4) from the tenderer(s), and check to confirm this meets the Council's minimum requirements.
- If the documentary evidence confirms the tenderer meets the council's minimum requirement a formal Contract Award Recommendation

report should be produced and approval sought as detailed in Contract Award Procedure in Section 14 below;

- If the documentary evidence does not establish that the tenderer can meet the council's minimum requirements further clarification should be sought from the tenderer. If the tenderer still cannot provide satisfactory evidence that they are able to meet the Council's minimum requirements then further dialogue with them should be suspended. The next best ranked tenderer should then be asked to provide their documentary evidence of meeting the Council's minimum requirements;

13. SPECIALIST TYPES OF TENDER PROCESS

13.1 "LIGHT TOUCH" EU TENDERS

13.1.1 Several service areas (listed below) are subject to a "light touch" (i.e. simplified) procurement process rather than a full EU Tender process detailed in Section 12 above where the value of these services is above 750,000 Euros. These services include:

- Social and health services including Wellbeing contracts;
- Cultural, Recreational and Leisure/Sports services;
- Hotel and Temporary B&B accommodation, catering services
- Legal services
- Bailiff services
- Security services including manned guarding and patrol services
- Post and Courier services

A full list of the services covered is available from the Procurement Team.

13.1.2 For all requirements covered by this simplified procurement regime Heads of Service must ensure:

- That instruction is given to the Procurement Team to place an advertisement for the requirement in the OJEU;
- That all the documentation relating to the procurement is hosted on an appropriate website (e.g. the Council website) at the time the advertisement is placed;
- That the procurement process is undertaken in accordance with the provisions for a Local Tender process detailed in Section 12
- That instruction is given to the Procurement Team to publish a Contract Award Notice in the OJEU on conclusion of the procurement

13.2 CONCESSION CONTRACTS

Note: The rules relating to the tendering of Concession contracts will change with the publication of new Regulations during 2016. The rules below shall be followed until further notice.

13.2.1 A Concession contract (i.e. where the Service Users as opposed to the Council make payments to the contractor for use of the service) should be undertaken in accordance with the provisions for a Local Tender process detailed in Section 12.

PART F- CONTRACT AWARD AND CONTRACT MANAGEMENT

14. CONTRACT AWARD PROCEDURE

14.1. Acceptance of Tenders – Approval Route

14.1.1. Acceptance of Tenders for any approved expenditure or for the disposal of assets other than land or buildings is delegated to;

14.1.2. The Chief Executive, relevant Director, Head of Finance, Head of Census ICT, Property and Facilities Manager, Waste & Recycling Manager and Street Scene & Fleet Manager in relation to the work of his or her Department, shall have power to accept tenders (where required) and to enter into contracts on behalf of the Council to a value not exceeding £100,000. All other Heads of Service (as defined by reference to Part 3 of the Council's Constitution) shall have power to accept tenders (where required) and enter into contracts on behalf of the Council to a value not exceeding £50,000.

14.1.3. In all other cases Cabinet, the relevant Cabinet Member or relevant Committee (subject to the call-in procedure).

14.2. Notification to Tenderers – Above EU Thresholds

14.2.1. Following acceptance of a contract award recommendation, in respect of any tender above the EU Procurement Directives financial threshold or following the use of a Framework Agreement, the Head of Service must, subject to the satisfactory conclusion of a mandatory 10 calendar day "standstill period";

- Simultaneously email* all unsuccessful Tenderers providing the following information:
 - a. The criteria for the award of the contract
 - b. The reasons for the decision, including the characteristics and relative advantages of the successful tender
 - c. The evaluation score of the Tenderer receiving the notice and the score(s) of the successful Tenderer(s)
 - d. The reasons (if any) why the Tenderer did not meet the technical specifications and / or the areas where the Tenderers submission was weaker than that of the successful Tenderer(s)
 - e. The name of the Tenderer(s) to be awarded the contract
 - f. A precise statement on the date the standstill period is expected to end
 - g. Details of how the ending of the standstill period might be affected (e.g. if a Tenderer requests further information regarding the Contract Award) and if so what contingencies will be made (e.g. the standstill period will be extended to allow further information to be provided)

***In the event that email cannot be used the standstill period must be extended to 15 calendar days.**

14.2.2. The standstill period must run for a minimum of 10 days commencing the day **immediately after** the notice was sent to the Tenderer and concludes at midnight on the 10th day. If the expiry date of the standstill period falls on a

weekend or public holiday then the expiry date shall be midnight on the next working day

- 14.2.3. Should a Tenderer request further information or a debrief during the standstill period the Head of Service should immediately consult with the Procurement team and Head of Legal and Democratic Services for advice. The Council may extend the standstill period for a further period until the Tenderer has received and considered the information.
- 14.2.4. If the Council receives notification from a Tenderer that it intends to challenge a Contract Award Decision then the Head of Legal and Democratic Services must be notified immediately and the Council must automatically refrain from entering into the contract. Failure to comply could result in the Courts cancelling the contract under the EU rules.
- 14.2.5. Upon satisfactory conclusion of the standstill period the Head of Service may advise the successful Tenderer(s) that the standstill period has passed and instruct the Head of Legal and Democratic Services to draw up a formal contract with the successful Tenderer(s).
- 14.2.6 Once the standstill period has concluded a Contract Award Notice should be placed in the Official Journal of the European Journal (OJEU) by the Procurement Team within **30 days** of the Contract Award. A Contract Award Notice is not required for any contract concluded via use of a “mini-competition” under a Framework Agreement.
- 14.2.7 The Head of Service must ensure that details of the contract award and successful organisation are also published in accordance with the requirements of the Transparency Code and the Council’s Contracts Register (see section 20)

14.3. **Notification to Tenderers – Local Tenders**

- 14.3.1. Local Tenders, i.e. those below the EU Procurement Directives financial thresholds, are not covered by the full requirements laid out in Section 14.2 above.

However it is considered best practice to follow the same general principles of notifying unsuccessful Tenderers and, if requested by the Tenderer, providing feedback on the outcome of the procurement exercise.

- 14.3.2. When feedback is requested by an unsuccessful Tenderer the Head of Service should provide a debrief, and explain the reasons why they were unsuccessful and the characteristics and relative advantage of the successful Tenderer, as appropriate. This should normally include:
- how the Award Criteria were applied
 - where appropriate the prices or range of prices submitted, in either case not correlated to Tenderers’ names.
- 14.3.3 No other information should be given without taking the formal advice of the Head of Legal and Democratic Services.

Once all Tenderers have been notified the Head of Service shall within 30 days instruct the Procurement team to place a Contract Award Notice on the

Contracts Finder website using the template document in the Procurement Toolkit.

The Head of Service must ensure that details of the contract award and successful organisation are published in accordance with the requirements of the Transparency Code and the Council's Contracts Register (see section 20)

14.4 **Contract formalities – Signature or Sealing**

- 14.4.1. All contracts must be concluded before the supply, service or construction work begins, except in exceptional circumstances, and then only with the prior written consent of the Head of Legal and Democratic Services and the Director of Corporate Resources. A contract award letter is insufficient.
- 14.4.2 The Head of Service shall ensure that the Head of Legal and Democratic Services is given instruction and provided all the necessary supporting documentation and information in order to draw up the final contract.
- 14.4.3 Every contract exceeding £50,000 in value not required or intended to be made under seal shall be signed on behalf of the Council by two officers of the Council being the Head of Legal and Democratic Services and one of the following: the Chief Executive, any Director or other officers authorised by the Chief Executive or under the Scheme of Delegation to Officers and the details recorded in the signature register held by the Head of Legal and Democratic Services.

15 **RECORD KEEPING**

- 15.1 Heads of Service shall ensure that sufficient documentation is retained to justify decisions taken at all stages of the procurement process. As such the following documents must be retained in a secure and easily retrievable format;
- All information including internal communications, project meeting notes, etc. regarding the preparation of the procurement documentation and undertaking of the process;
 - A written record of any exemptions obtained under the Horsham Procurement Code and the reasons for them
 - Invitations to quote and quotations received
 - Invitation to Tender and tenders received
 - Any *Contracting Decision* and the reasons for it
 - The Award Criteria
 - All evaluation information/reports
 - Clarification and post-tender negotiation (to include minutes of meetings)
 - The contract documents
 - The post-contract evaluation and monitoring documentation
 - Written records of all communications with all Tenderers and with the successful Tenderer throughout the period of the contract
- 15.2. Documentation relating to a successful quotation must be retained for the duration of the contract period, or in the case of the supply of goods or provision of works a minimum of three years after supply/completion of the requirement. Documentation relating to unsuccessful quotations must be

retained for a minimum of 12 months from the award of the contract, providing there is no dispute about the award.

- 15.3 Documentation relating to a successful tender must be kept for a minimum of three years after the final settlement/end of the contract. However, documents which relate to unsuccessful Tenderers may be disposed of after 12 months from the award of the contract, provided there is no dispute about the award. Further guidance on document retention periods is included in the [Procurement Toolkit](#).

16. CONTRACT MANAGEMENT

16.1 No contract shall commence unless and until the procurement exercise and contract documents have been completed in accordance with the Council's Procurement Code and Financial Regulations.

16.2 Heads of Service shall ensure that all contracts have an appropriate level of resource and skills assigned to the contract management based on an assessment of the contract value, service complexity, and/or level of risk or strategic importance to the Council.

16.3 During the life of the contract the Head of Service shall ensure:

- A Contract Manager with the requisite skills, expertise and resource is assigned to effectively manage the contract;
- The Contract Manager has received any additional training required to adequately perform the contract management function;
- Through effective contract management and regular formal Contract Review meetings that the performance of the contract is appropriately monitored and compliance with the specification and contract conditions is ensured;
- Ensure that where any Statutory Duty (e.g. Safeguarding Duty, Data Protection) is transferred to the Contractor that the Contractor complies with the Duty including any reporting or record keeping requirements;
- Measure user satisfaction with the contract performance;
- Maintain a joint risks register for the contract and agree with the Contractor whether these risks are best managed by the Contractor or the Council;
- Discuss any proposed contract variations with Head of Legal and Democratic Services before they are carried out. Only variations that have been clearly and specifically detailed in the initial tender documentation may be made during the course of the contract.
- Authorise in writing any variations to contracts before they are carried out. These variations to be authorised by the relevant Head of Service, relevant Director or relevant Cabinet Member.
- Ensure that a record is kept of all certificates and instructions issued under the contract;
- Maintain documentation in support of each payment showing how the payment has been calculated and maintain a record of all such payments;

- Agree any price fluctuation or indexation provisions, subject to appropriate supporting documentary evidence being provided by the Contractor;
- Levy liquidated damages when circumstances dictate these should be applied;
- Notify the Head of Legal and Democratic Services of any breach of contract;
- Contact the Head of Legal and Democratic Services for advice on any contractual matters including the levying of liquidated damages or contract termination provisions;

16.4. Further information on the importance and benefits of Contract Management can be found within the [Procurement Toolkit](#).

17. CONTRACT VARIATION

17.1 Following consultation and agreement by the Head of Legal and Democratic Services and the Commissioning and Performance Manager contracts may be modified without the need for a new procurement exercise if any of the following cases apply:

- a. There was clear and unambiguous provision for the contract modifications, irrespective of their monetary value, made in the initial tender documentation which stated the scope and nature of such possible modifications as well as the conditions under which these modifications may be used. Such modifications must not fundamentally alter the nature of the contract;
- b. To provide additional works, services or supplies by the original contractor that have become necessary but were not included in the initial tender provided that a change of a contractor cannot be made for economic or technical reasons (e.g. IPR in the software, compatibility with existing equipment, etc) or would cause substantial duplication of cost so long as any increase in price does not exceed 50% of the value of the original contract. In such cases the Council must publish a Notice in the OJEU;
- c. Where all the following conditions are fulfilled:
 - The need for the modification could not genuinely have been foreseen by the Council;
 - The modification does not fundamentally alter the nature of the contract;
 - Any increase in price does not exceed 50% of the value of the original contract;
 - In such cases the Council must publish a Notice in the OJEU
- d. Where a new contractor replaces the one to which the council awarded the contract due to company takeover, merger, acquisition, insolvency, etc. providing that this change does not entail substantial modification of the contract;
- e. The value of the modification is below the relevant EU final threshold and less than 10% of the initial contract value (goods and services) or 15% of the initial contract value (works).
 - o Where several successive modifications are made the value shall be the net aggregated value of the successive modifications;

- Where the contract has an indexation clause then the inflated value shall be the one used as the basis of the calculation;
- 17.2 A new procurement exercise shall be required for any contract modification which:
- Materially alters the contract from the one initially awarded;
 - Introduces conditions that if they had been part of the original procurement would have allowed other suppliers to participate;
 - Changes the economic balance of the contract in favour of the contractor in a manner which was not provided for in the initial contract;
 - Extends the scope of the contract considerably;
 - Introduces a new contractor to replace the initial contractor for any reason other than those listed in e) above;
 - Proposes a contract modification other than those provisions outlined in 17.1 above.
- 17.3 Once negotiations with the contractor(s) regarding the contract variation have concluded the Head of Service must provide the Head of Legal and Democratic Services with all the appropriate documentation and instructions to issue the contract variation notice in accordance with the provisions in the contract.
- 17.4 The Head of Service must forward the details of any significant contract modifications to the Commissioning and Performance Manager for recording on the Contracts Register in accordance with section 20. Details of the changes will also need to be published on Contracts Finder and OJEU.

18. CONTRACT EXTENSION

- 18.1. Any contract that expressly provides for extension may be extended in accordance with its terms provided that the Head of Service and Head of Legal and Democratic Services are satisfied that Best Value will be achieved and the extension is reasonable in all the relevant circumstances.
- 18.2. Where the contract terms do not expressly provide for extension legal advice should be sought from the Head of Legal and Democratic Services at the earliest opportunity.
- 18.3. Approval for contract extension for any approved expenditure is delegated to:
- The Head of Finance / Head of Census ICT / Property and Facilities Manager / Waste and Recycling Manager / Street Scene & Fleet Manager and Head of Legal and Democratic Services, and relevant Director or Chief Executive for contract values not exceeding £100,000;
 - All other Head of Services and Head of Legal and Democratic Services for contract values not exceeding £50,000;
- 18.4. In all other cases a Contract may only be extended with the express agreement of the Cabinet the relevant Cabinet Member or the relevant Committee or, in the case of urgency, by the Chief Executive confirmed in writing.

- 18.5 Once granted the contractor must be notified in writing of the contract extension and the Head of Legal and Democratic Services provided with the appropriate instruction and supporting documentation to issue the contract extension.
- 18.6 Once concluded the Head of Service must forward the details of the contract extension to the Commissioning and Performance Manager for recording on the Contracts Register in accordance with section 20.

19. CONTRACT TERMINATION

Contracts may be terminated by the relevant Head of Service early by agreement prior to the expiry date or in accordance with the Termination Provisions set out in the contract. **Advice must be sought from the Head of Legal and Democratic Services before terminating any contract.**

20. TRANSPARENCY CODE AND CONTRACTS REGISTER

- 20.1 Immediately upon the completion of every contract of £5,000 in value or more:
- 20.1.1 The relevant Head of Service shall complete and submit the Contracts Register e-form to the Commissioning and Performance Manager with the required details of the contract for publication in the Council's Transparency Code information and inclusion in the Council's Contracts Register.
- 20.1.2 The Commissioning and Performance Manager shall have responsibility for maintaining the procurement information in the Transparency Code publication and the Contracts Register;
- 20.1.3 Upon receipt from the successful tenderer(s) the Head of Legal and Democratic Services shall send an electronic copy of any contract which has been completed to the relevant Head(s) of Service and the Commissioning and Performance Manager for inclusion in the Contracts Register.
- 20.2 The Contracts Register shall be available on the Council's website.

PART G – MISCELLANEOUS PROVISIONS

21 USE OF CONSULTANTS

- 21.1 Consultancy is defined as having the following two characteristics:
- a. Work is project based, outside the client's usual business and there is a clear end point of the consultant's involvement; and
 - b. Responsibility for the final outcome largely rests with the client.

Also, "interims" that are used to fulfil "business as usual" roles within the organisation that would otherwise be undertaken by a salaried member of staff may be regarded as a consultant.

- 21.2 In addition to the Council's Financial Regulations and the provisions detailed in Sections 11 and 12 of the Horsham Procurement Code the provisions in this section shall apply to the appointment of an external adviser or a consultant.

- 21.3 The provider of the professional services is usually the Council's lead professional. However, the lead professional may feel that they can best meet their need for such services from outside the Council. If this is the case, then the lead professional should discuss the matter with the relevant Head of Service and agree whether or not the Council should employ external services. The Head of Service should ensure no consultant is engaged unless:
- a. Specialist skills or expertise is not available from in-house sources
 - b. There is a lack of in-house capacity to undertake the project
 - c. Any in-house proposal is not competitive
 - d. An independent opinion is required.
- 21.4 If the cost of the external adviser or consultant is estimated to be in excess of £10,000 and the Head of Service agrees that the use of the external adviser or consultant is required, they should complete the **Use of Consultants business case e-form** for approval by the Director of Corporate Resources. The business case shall provide the reason the consultant is required, the length of time, the estimated costs and the defined scope of work to be completed including the anticipated outcomes or deliverables.
- 21.5 The Head of Service may wish to select a consultant who has previously been selected to advise, represent or act for the Council. In such circumstances the Head of Service must demonstrate in the business case that a second or further appointment of that consultant is reasonable and offers the best value for money to the Council.
- 21.6 The process for procuring the external adviser or consultant will follow the procedure detailed in section 11 or 12 depending on the value.
- 21.7 The Head of Service has the responsibility to ensure that:
- The phase or stages of any project are recognised and that any appointment takes into account the contract value over the full term of the project including any potential follow-up commissions required to be undertaken by the same external adviser or consultant.
 - Where the external adviser or consultant is being jointly-commissioned in conjunction with other public bodies that the total contract value is the combined sum of all participating bodies.
 - Both the Council and external adviser/consultant agree terms in writing using the appropriate form of contract
 - Tenders are sought on a project brief or specification including anticipated outcomes or deliverables that has been prepared and agreed beforehand
 - All necessary data is supplied to the consultant in a timely and efficient manner
 - The consultant's performance is rigorously monitored regularly throughout the commission at an agreed meeting frequency to ensure effective delivery against the project brief or specification;
 - The output from the consultants exercise is matched against the brief
 - The consultant's professional indemnity insurance is both adequate and current.

- 21.8 The fee, or the basis of fee, must be agreed prior to appointment. This must include the basis on which the consultant may charge, when payment is due and whether the consultant can claim additional disbursements or expenses which shall be detailed and formally recorded.
- 21.9 There should be a requirement for the external adviser or consultant to provide as part of their commission, a transfer of knowledge and special skills to the Council relating to the expertise procured. This is to help ensure that the Council learns more and reduces its need for external advisors and consultants in the future. The Council shall retain full user rights to all intellectual property that is generated by the consultant under the appointment.

22. PREVENTION OF CORRUPTION AND BRIBERY

- 22.1. The Head of Service must ensure that officers comply with Section 5B of the Council's Constitution, Officer Code of Conduct and must not invite or accept any gift or reward in respect of the award or performance of any contract.
- 22.2. High standards of conduct and integrity are obligatory. Corrupt behaviour shall lead to dismissal and is a criminal offence under the Bribery Act 2010.
- 22.3. Council employees shall not use any contract or other procurement arrangement entered into by the Council for their own personal use, benefit or gain other than with the prior written approval of the Director of Corporate Resources.
- 22.4. The following clause must be included, in every Council contract:
- “The Council may terminate this contract and recover all its losses if the Contractor, its employees or anyone acting on the Contractor's behalf does any of the following things:
- (a) offer, give or agree to give to anyone any inducement or reward in respect of this or any other Council contract (even if the Contractor does not know what has been done); or
 - (b) commit an offence under the Bribery Act 2010 or Section 117(2) of the Local Government Act 1972; or
 - (c) commit any fraud in connection with this or any other Council contract whether alone or in conjunction with Council members, contractors or employees.”
- 22.5. Any clause limiting the Contractor's liability shall not apply to this clause.

23. DECLARATION OF INTERESTS

- 23.1. In accordance with Section 5A Member Code of Conduct and Dispensation Scheme and Section 5B Office Code of Conduct of the Council's Constitution if it comes to the knowledge of a Member or an employee of the Council that a contract in which he or she has a financial or personal interest has been or is proposed to be entered into by the Council, he or she shall immediately give written notice to the Director of Corporate Resources. The Director of Corporate Resources shall report such declarations to the appropriate Committee.

- 23.2. Such written notice is required, irrespective of whether the monetary interest is direct or indirect. An indirect financial interest is distinct from a direct financial interest in as much as it is not a contract to which the member or employee is directly a party.
- 23.3. A shareholding in a body not exceeding a total nominal value of £1,000 or 1% of the nominal value of the issued share capital (whichever is the less) is not a financial interest for the purposes of the Horsham Procurement Code.
- 23.4. The Director of Corporate Resources shall maintain a record of all declarations of interests notified by Members and Officers.
- 23.5. The Director of Corporate Resources shall ensure that the attention of all Members is drawn to the appropriate provisions within the Council's Code of Conduct.

24. REVIEW AND AMENDMENTS OF THE HORSHAM PROCUREMENT CODE

- 24.1 The Procurement Code shall be reviewed and updated on an annual basis or more frequently if legislation or Case Law require amendments.

25. PROCUREMENT THRESHOLDS AND CONTRACT AWARD PROCEDURES - WORKS CONTRACTS

Total Value	Procurement Route	Short-listing of potential suppliers	Receipt of Quotes /Tenders	Contract Approval/Award	Method of Contract Completion	Transparency Code Obligations
Under £4,999.99	Evidence of value for money	Head of Service ¹	Head of Service ¹	Head of Service	Signature and or purchase order raised	Publish details of all contracts over £5,000 in Council's Contracts Register
£5,000 - £99,999.99	Three written quotations	Head of Service ¹	Quotations returned to department and opened and reviewed by at least two officers	Not exceeding £100,000 Property & Facilities Manager / relevant Director / Chief Executive approval.	Signature	Publish details of all contracts over £5,000 in Council's Contracts Register
£100,000 – EU Threshold	Invitation to tender by advertisement on the Council's website and the SE Shared Services Portal Additional media can be used. Tenders to at least five Tenderers	Evaluation by a min of two Officers. approval of shortlist by Head of Service and relevant Director	Tenders submitted via Council's secure e-tendering platform and electronically opened once closing date and time has passed.	Cabinet Member, Cabinet or relevant Committee	Sealing	Advertise all tenders and publish details of the Contract Award on SE Shared Services Portal. Publish details of all contracts over £5,000 in Council's Contracts Register
Above EU Threshold	EU Procedure, or where this does not apply, Invitation to Tender by advertisement on the Council's website and in the Official EU Journal. Additional media can be used. Tenders to at least five Tenderers	Evaluation by a minimum of two Officers. approval of shortlist by Head of Service and relevant Director	Tenders submitted via Council's secure e-tendering platform and electronically opened once closing date and time has passed.	Cabinet	Sealing	Advertise all tenders in OJEU and then SE Shared Services Portal. Publish details of Contract Award in OJEU and on SE Shared Services Portal. Publish details of all contracts over £5,000 in Council's Contracts Register

¹the Head of Service may delegate these functions in accordance with Section 3F, paragraph 1.4c of the Council's Constitution Scheme of Delegation to Officers

26. DEFINITIONS AND FURTHER INFORMATION

These terms occur throughout this document as italics and are purely to act as an aide memoir to refer to this glossary and do not alter or infer any meaning to the text of the document.

Abnormally Low Bid	DG III Working Group on Abnormally Low Tenders – <i>Prevention, Detection & Elimination of ALTs in the European Construction Industry</i> (19 May1999):- “A tender is assumed to be abnormally low if:- In the light of client’s preliminary estimate & of all the tenders submitted, it seems to be abnormally low by not providing a margin for a normal level of profit and in relation to which the tenderer cannot explain his price on the basis of the economy of the construction method, or the technical solution chosen, or the exceptionally favourable conditions available to the tenderer, or the originality of the work proposed”
Award Criteria	The criteria by which the successful quotation or tender is to be selected
Best Value	The duty on local authorities to secure continuous improvement in the way in which their functions are exercised, having regard to a combination of economy, efficiency and effectiveness.
Bond; Performance Bond	An insurance policy. If the contractor fails to deliver what it has promised under a contract with the Council, the Council can claim from the insurer the sum of money specified in the bond (usually 10% of the contract value). A bond is intended to protect the Council against any additional costs arising from the contractor’s failure or default.
Commissioning	The process of ensuring quality council services are designed around the present and future needs of residents and customers to ensure successful outcomes.
Consultant	Any person (not an employee), agency or firm engaged for a limited period of time, on an ad-hoc and fee paying basis, to carry out a specific task or tasks. A consultant provides subject matter expertise and/or experience to the Council as required. This may, for example, be because the Council does not possess the skills or resources in-house or requires an independent evaluation/assessment to be made. Tasks would include investigating problems, providing analysis or advice or assisting with the development of new projects/systems.
Contract Award Procedure	The procedure for awarding a contract
Contract Manager	The individual appointed to manage the contractual relationship between the Council and the service provider. He/she is responsible for ensuring high quality and value for money services are maintained throughout the life of the contract.
Contracting Decision	Any of the following decisions: - withdrawal of an invitation to tender - whom to invite to submit a quotation or tender - <i>short listing</i> - award of contract - any decision to terminate a contract.
EU Procedure	The procedure required by the EU where the total expected contract value of goods, works or services exceeds the relevant EU threshold.
EU Threshold	The financial threshold at which EU public procurement directives must be applied to a <i>Relevant Contract</i> . Refer to the Procurement Toolkit for current EU thresholds.
Financial Regulations	The financial regulations contained within the Constitution.

Invitation to Tender	Invitation to Tender documents in the form required by the Horsham Procurement Code.
Joint Procurement Board	This is the governance body that manages the Shared Procurement Service. It is made up of the Commissioning and Performance Manager, Horsham District Council, the Head of Partnership Services, Crawley Borough Council and the Head of Finance, HR and ICT, Mid Sussex District Council.
Light Touch Regime (aka Health and Social Services)	Certain categories of Service which are not subject to the full scope of the EU Procurement Directives. These services include certain Health, Educational, Social, Leisure, Parks and Recreational and Security services. Contact the Procurement Team for further information.
Main Contractor	The Contractor with whom the Council has a Contract but who uses sub-contractors to fulfil elements of the contract provision.
Officers' Code of Conduct	The code regulating conduct of officers which forms part of the Council's constitution.
Parent Company Guarantee	An agreement which binds the parent of a subsidiary company as follows: If the subsidiary company fails to do what it has promised under a contract, they can require the parent company to do so instead.
Preferred Bidder	The penultimate stage of a procurement process when the supplier(s) to whom the council intends to award the contract has/have been identified but the confirmation of the award is subject to receipt of final clarification documentation and/or information from the supplier(s).
Procurement Toolkit	The Procurement Toolkit prepared by the Commissioning and Performance Manager for guidance in conducting procurement activity.
Public Contract Regulations 2015; the Regulations	The UK Government transposition of the new EU Procurement Directives. Establishes the rules by which public bodies must abide when acquiring goods, works or services. In broad terms these are transparency, fairness and equal treatment of all potential bidders.
Quotation	A quotation of price and any other relevant matter without the formal issue of an Invitation to Tender.
Relevant Contract	Any arrangement made by, or on behalf of, the Council for the carrying out of work or for the supply of goods, materials or services. These include arrangements for: <ul style="list-style-type: none"> - the supply or disposal of goods - hire, rental or lease of goods or equipment - execution of works - <i>third party contracts or Framework Agreements, or call-off contracts</i> awarded by another public sector body - the delivery of services, including those related to: <ul style="list-style-type: none"> - the recruitment of staff - land and property transactions - financial and consultancy services. <p><i>Relevant Contracts do not include contracts relating to:</i></p> <ul style="list-style-type: none"> - the direct employment of staff paid via the council's payroll system - the engagement of Counsel - the acquisition, disposal, or transfer of land (for which <i>Financial Regulations</i> shall apply).
Short listing	Where Tenderers are selected from a list of interested parties to submit a quotation or tender.
Tender	A Tenderers proposal submitted in response to an Invitation to Tender.
Tenderer	Any person who asks or is invited to submit a quotation or tender.
Tender Register	The tender register maintained by the Democratic Services Officer to record details of tenders received (see Horsham Procurement Code

	Paragraph 12.8.2).
Third Party Contracts, or Framework Agreements, or Call-Off Contracts	Contracts awarded by a third party which have been structured to allow authorised users to procure goods and services by quoting, to the contractors and suppliers, the appropriate contract reference details. The management and administration of the contract resides with the awarding authority. The use of these contracts may alleviate the necessity for staff to initiate their own tendering exercise.
Total Value	Relates to the TOTAL contract sum or the TOTAL amount of purchase. This means that any annual value must be multiplied by the number of years the contract is likely to be in operation for e.g. A purchase for £45,000 would fall under the £10,000 to £50,000 bracket, whereas a contract for £45,000 over a four year term would equal £180,000 and would therefore be subject to the EU Directives. It is not acceptable to either enter into separate contracts or select a method of calculating the total value in order to avoid or minimise the application of the Horsham Procurement Code. It is also not acceptable to lessen the contract term so that the contract falls into a lower threshold. When in doubt as to the length of a contract term, a four year period is assumed.
Transparency Code	The Local Government Transparency Code is a statutory obligation on local authorities to publish data include information on all tenders issued and contracts award of £5,000 or more in value.
Whole Life Cost	A form of financial tender evaluation which considers the whole life costs of a project from design through to decommissioning and disposal or recycling.

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Report to Finance & Performance Working Group

18th November 2015

By David Plank Customer Services Manager

INFORMATION REPORT

Not exempt



Horsham
District
Council

Complaints & Compliments Monitoring Report for Horsham District Council 1st July to 30th September 2015

Executive Summary

The purpose of this report is to inform the Finance & Performance Working Group of the details of the complaints and compliments notified to the Council's Complaints and Feedback Officer for the period 1st July 2015 to 30 September 2015. Annual figures are also included. The intention is to learn from the feedback that the Council receives to prevent reoccurrence of complaints, improve Council services and promote areas of good practice.

For the period 1st July 2015 to 30 September 2015 the Complaints and Feedback Officer was notified of 100 complaints, with a further 5 complaints about the Revenues & Benefits telephone system being recorded during this period. The number of complaints received at the Council's leisure centres for the period was 97.

As previously reported to Members, new software is now in use to record and monitor complaints using the Covalent system. Individual departments are now responsible for recording and updating complaints on the new feedback system. This has enabled both accurate recording of complaints. The Senior Leadership Team and Service Managers are now able to view real time information about the number, status and nature of complaints at any given date.

In July 2015 the Council appointed Hayley Aitchison to the role of Complaints and Feedback officer.

Since her appointment we have seen an improvement to each department's management of the complaints. We are seeing good progress in response times as staff receive triggers as the due date for a response approaches. Whilst staff have 20 working days to respond in full to a complaint, we do endeavour to reply well before this date as this is a key driver of customer satisfaction.

Hayley has also made a solid start on root cause analysis, beginning with the departments historically most likely to receive the most complaints, Parking Services, Waste & Recycling and Development. She has been working alongside each department's complaint rep to highlight the biggest causes of each of their

complaints and discuss counter measures. The importance of using complaints for improvement to service is a key message in all of her work with the staff. An example of this is in the Waste & Recycling Department whereby root cause analysis on the number of missed bins complaints has shed light on the causes. We identified problems surrounding collections at new developments and lessons were learnt. Now positive work is in place to ensure that as new developments are completed they are successfully added to the rounds.

Recommendations

The Committee is recommended:

- i) To Note the contents of this report and comment as appropriate.

Reasons for Recommendations

- i) To increase awareness of the Council's corporate complaints procedure and improve our learning and understanding from the complaints received.

Background Papers: Local Government Ombudsman's (LGOs) Guidance on Running a Complaints System, LGO Guidance on Good Administrative Practice, LGO Guidance on Remedies

Consultation: Director of Community Services & Monitoring Officer

Wards affected: All

Contact: David Plank, Customer Services Manager Ext 5371

Background Information

1 Introduction

- 1.1 The purpose of this report is to show the number and type of complaints and compliments received by Council department to identify trends and help monitor the situation. This excludes any representations, appeals or disagreements with Council policy – these are not classed as complaints under the Council's current definition of a complaint.

This report is intended for managers, staff and Councillors to help everyone at the Council learn and act upon customer feedback.

2 Statutory and Policy Background

2.1 Local Government Act 2000

Relevant Government policy

- 2.2 Current LGO Guidance recommends that information gathered from front line staff about complaints, questions and comments be collated and reviewed on a regular basis as it can be a valuable source of information about how users view service provision. This provides a mechanism for identifying emerging issues that might be addressed before they escalate into complaints.

Relevant Council Policy

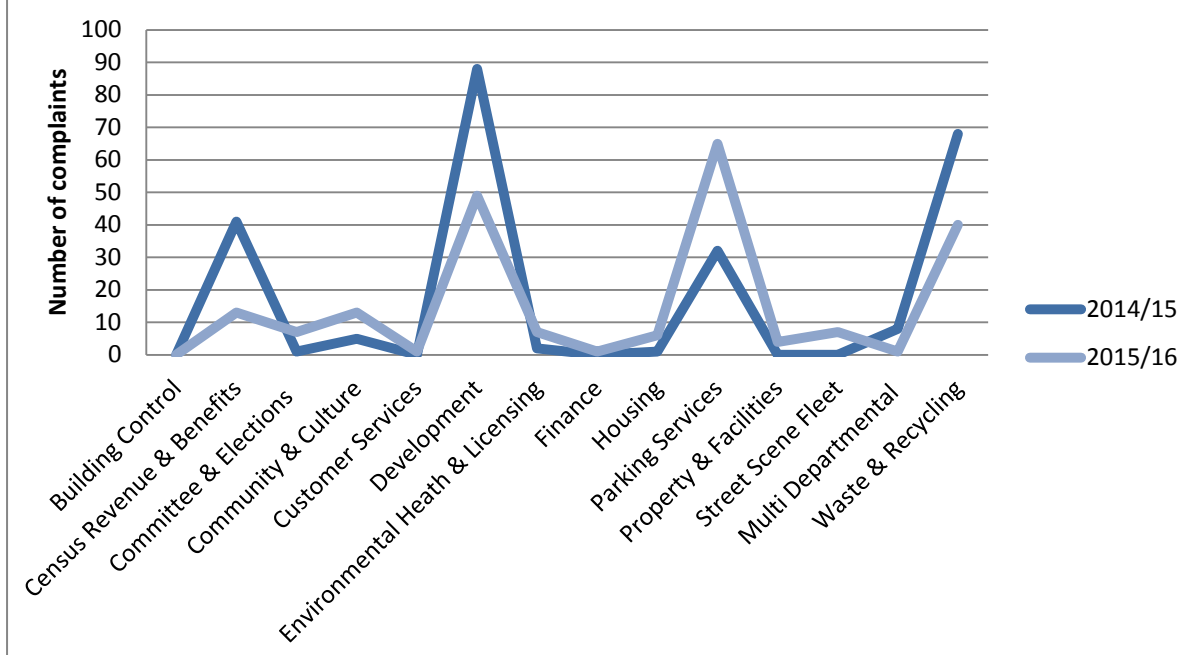
- 2.3 The Council's procedure for dealing with Comments, Representations, Criticism of Policy and Complaints was approved by Council February 2015.

3 Details

Complaints notified to the Complaints and Feedback Officer 1st July 2015 to 30 September 2015

- 3.1 The number of complaints notified to the Complaints and Feedback Officer for the period 1st July 2015 to 30 September 2015 is 100 complaints plus 5 Revenues & Benefits Service telephone system. A further 97 were received by the Leisure centres.
- 3.2 We did anticipate that there may have been spikes in numbers with the introduction of Covalent, as this is the first time that complaints have been accurately recorded all in one place. However, at this half stage point in the year, we have received a total of 209 complaints for 1st April 2015 to 30th September 2015. We received 246 complaints in the same period for the previous year. This is a reduction in complaints of 15% already in this year.

Complaints by department 1st April to 30th September

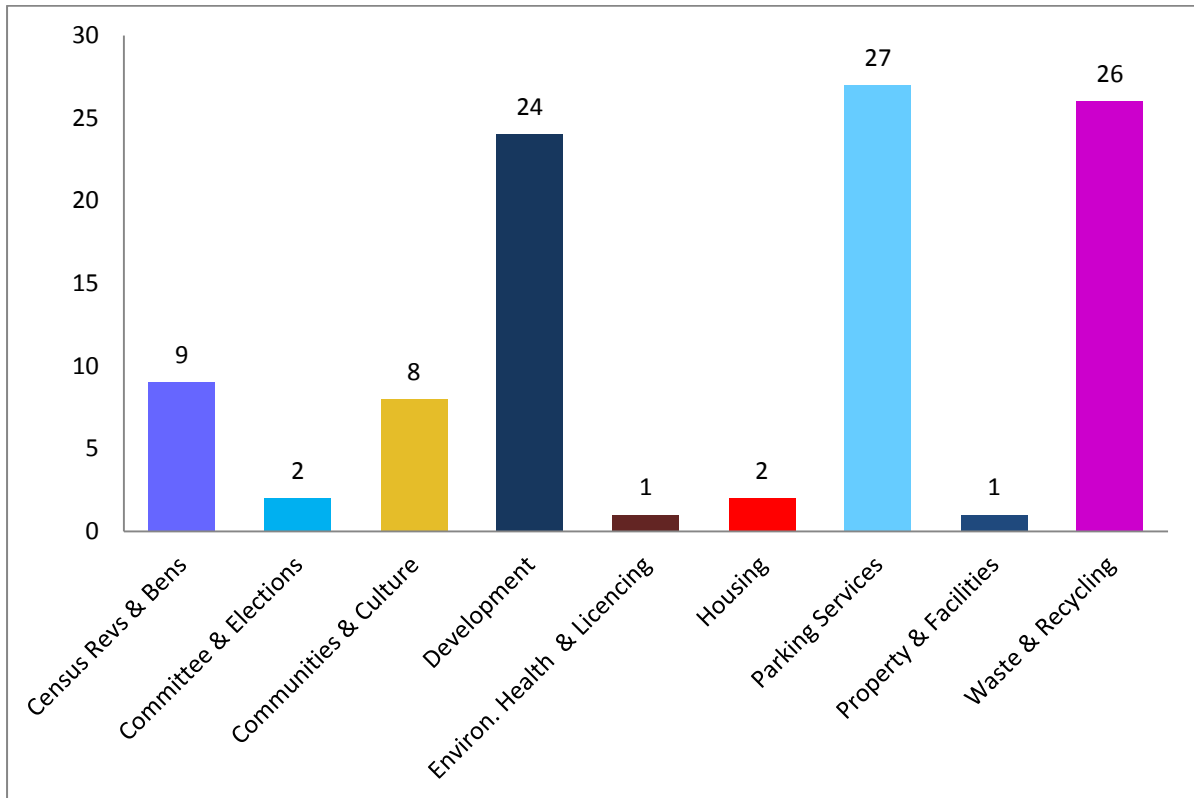


Note The spike in complaints in parking services for the 2015/16 year has predominately been caused by the introduction of the Smart Parking system. It was expected that the number of complaints for this would reduce over time and so far this has been the case.

- 3.3 It should be noted that front line Council services such as parking, refuse collections, planning services and leisure facilities will, by their nature attract more complaints than the services which provide ‘in house’ functions. Horsham District Council’s current definition of a complaint is:-

A complaint is an expression of dissatisfaction that requires a response, about the standards of service, action or lack of action by the Council, its staff or a contractor working on the Council’s behalf affecting an individual customer or resident or group of customers’

3.4 Complaints received by department 1st July 2015 to 30 September 2015.



Note The trend for Parking Services is downwards, so whilst they have received the highest number of complaints this quarter, this number is down from that of quarter one. The root causes of each complaint received in the departments that have the highest number of complaints (i.e. Development, Parking services and Waste & Recycling) have been identified and work to establish counter measures is under way.

3.5 Compliments received for the period 1 July 2015 to 30 September 2015.

Department	Compliments Received 1 July 2015 to 30 September 2015
Community & Culture	18
The Capitol	3
Customer Services	4
Environmental Health & Licencing	6
Development	10
Parking Services	2
Waste & Recycling	2
Leisure Centres	95
TOTAL	140

Note The total number of compliments *excluding* leisure centres has increased by 40 from quarter one of this year. The number of compliments for leisure centres themselves has increased by 41 from quarter one. We understand that these numbers of compliments have always been received by the various departments, but they have not been accurately recorded until now. The Complaints and Feedback officer has encouraged staff to inform their managers of compliments they receive and as such we now have a much more accurate reflection of the positive experiences that our customers have.

4 Outcome of Consultations

4.1 Not applicable

5 Other Courses of Action Considered but Rejected

5.1 Not applicable

6 Staffing Consequences

6.1 There are no staffing consequences as a result of this report.

7 Financial Consequences

- 7.1 Whilst each complaint does have its own costs, there are no financial consequences as a result of this report.

Report to the Finance and Performance Working Group

18 November 2015

By the Head of Legal and Democratic Services

INFORMATION REPORT



**Horsham
District
Council**

Not Exempt

Analysis of requests made under the Freedom of Information Act and Environmental Information Regulations 1 April - 30 September 2015

Executive Summary

This report is to provide Members with an overview of the Freedom of Information function and the number of Freedom of Information (FOI) requests that have been received by Horsham District Council from 1 April to 30 September 2015.

For the period 1 April to 30 September 2015, the Council received 340 requests for information. The number of requests received was 11% higher (303) than the same period in 2014. Of these requests, where the identity of the requestor is known, almost half of requests have been received from businesses and the media.

Business process change is delivering the 20 day response outcome expected by the duty. By reshaping the way responses are processed, the council will now meet the duty at the standard of the best councils. Between April and July 2015 the Council received 216 requests 83% of which were responded to within 20 working days. From 1 August to the end of September, there have been 124 requests, 98% of which were responded to within 20 working days.

Recommendations

That the Working Group is recommended to:

- i) note the contents of this report and comment as appropriate.

Reasons for Recommendations

- i) To ensure that Members are kept up to date with developments in the freedom of information framework; and
- ii) to ensure that Members have the necessary information to enable requests for information to be easily made to the Council and properly responded to; and
- iii) to assist with learning lessons and improving performance following requests for information made to the Council.

Background Papers

- Previous reports to this Working Group and predecessor member bodies within the council.
- The Freedom of Information Act 2000
- Horsham District Council Publication Scheme
- Horsham District Council Privacy Policy

Wards affected: All wards.

Contact: Paul Cummins, Head of Legal and Democratic Services, ext. 5478

Background Information

1 Introduction and Background

1.1 This report summarises the function of Freedom of Information at Horsham District Council from 1 April to 30 September 2015. The Council prepares this report annually.

1.2 Summary of the Freedom of Information Act:

The Act gives anyone the right to ask a public authority for information and if that authority holds it, to have that information released to them or to be told why they cannot have it.

The authority:

- Must reply within 20 working days either providing the information or saying why not, using only the stated exemptions within the Act
- Has a duty to provide advice and assistance to the applicant in making the request
- Cannot charge for providing the information other than photocopying, postage and other such disbursements, unless the time that would be required to produce the information would exceed the appropriate limit as defined within the Act – currently £450.00
- Must offer a requester the right to appeal a decision made by the authority prior to them taking a complaint to the Information Commissioner.
- Must adopt and publish a Publication Scheme as defined by the Information Commissioner.

1.3 Environmental Information Regulations

The Environmental Information Regulations 2004 (EIRs) give enhanced access to environmental information by giving anyone the right to access environmental information held by public authorities. A request can be made in writing, by telephone or in person.

Environmental Information is defined as any information in written, visual, aural, electronic or any other material form on:

- The state of the elements e.g. air, water, land, landscape, nature sites and biological diversity
- Factors affecting or likely to affect the elements such as substances, noise, emissions etc.
- Measure such as policies, plans, programmes, land planning regimes
- Reports on the implementation of environmental information
- State of human health and safety including contamination of the food chain, conditions of human life, cultural sites, built structures inasmuch as they are or may be affected by the state of the elements or by any of the factors, measure or activities.

In view of the above, a large part of the Council's functions is caught by the Environmental Information Regulations such as development control and enforcement, strategic planning, waste management and environmental health, rather than the Freedom of Information Act.

1.4 The key differences between the EIRs and FOIA are:

- Requests for environmental information do not have to be made in writing
- Information held by the Council includes information held on behalf of another person or organisation
- There are no absolute exceptions - every exception is subject to the public interest test
- There is an express presumption in favour of disclosure
- There is no cost limit on disclosure

2 Relevant Council policy

2.1 The Council has a duty to enable the provision of information to requestors within the parameters set by the Freedom of Information Act. The Council must also protect information collected by the council in accordance with the Council's Privacy Policy. The statutory background is to be found in the Freedom of Information Act 2000, The Data Protection Act 1998 and the Environmental Information Regulations 2004.

3 Details

3.1 Improvement

The number of requests received by the Council has increased when compared with the same period last year. Between April and September 2014 the Council received 303 requests 78% of which were responded to within 20 working days. Between April and September 2015 the Council received 340 requests, 87% of which were responded to within 20 working days. There has been a progressive improvement in responding to requests as shown below.

- Between April and July 2015 the Council received 216 requests 83% of which were responded to within 20 working days;
- From 1 August to the end of September, there have been 124 requests, 98% of which were responded to within 20 working days.

The improvement in response time is due business process change to deliver the outcome expected by the duty. By reshaping the way responses are processed, the council will now meet the duty at the standard of the best councils. In August 2015, 50 Requests were received, 49 were responded to within 20 working days, 1 was responded to out of time. For September 2015, 74 requests were received, 71 were responded to within 20 working days, 1 was responded to out of time and 2 are still ongoing at the time of writing.

3.2 Responding to requests

The Freedom of Information Act requires public authorities to reply to FOI requests within 20 working days. As such, the Council would have a target to respond to

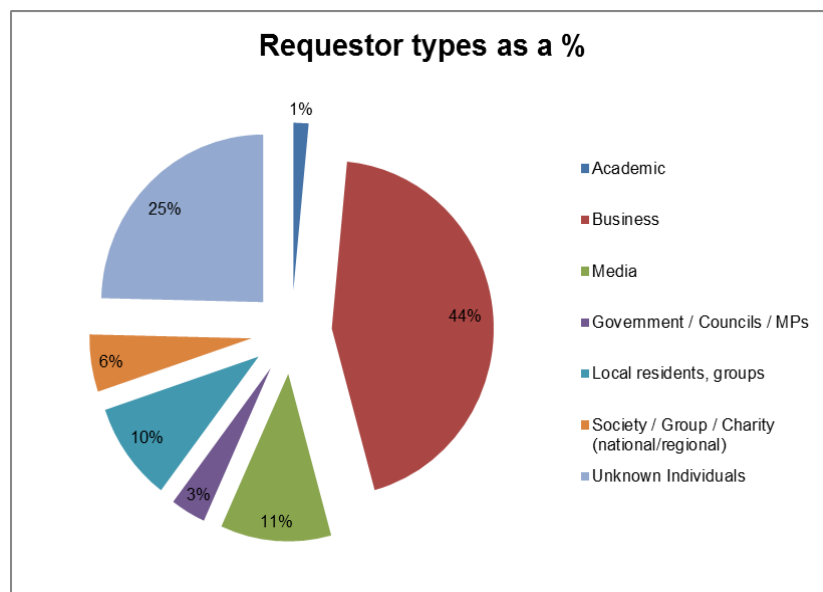
100% of requests on time. However, pragmatically, the target set by the Information Commissioner's Office (ICO) is 85% of requests being responded to in 20 days.

During this period, the Council has received 10 requests for internal reviews of decisions to withhold information. Of these, 5 reviews upheld the original decision, in 1 review further information was provided, and 4 remain ongoing at the time of writing this report.

Also during this period the Information Commissioner's Office has decided to investigate 2 decisions the Council has made in respect of requests for information. In 1 case the original decision has been upheld. A further investigation is ongoing at the time of writing this report.

3.3 Analysis of Requests between 1 August 2015 and 31 October 2015

Requestors are grouped for analysis purposes. This allows officers to understand the profile of requests and respond by amending the publication scheme according to demand. The Council's Publication Scheme has been updated in line with requirements of the Information Commissioner's Office, namely to adopt the model publication scheme.



3.4 Disclosure Log

Responses to requests are being published more consistently on the Council's website via the Disclosure Log. This has allowed some requestors to be referred directly to a published response, which saves officer time.

3.5 Online information – Channel Shift

The updated publication scheme on the FOI page of the Council's website will proactively assist with handling a number of routine requests. The direct links to business rates information, payments over £500 and to the contracts register have been added to the top of the page. A direct link to West Sussex County Council's page has also been added for those wanting to make enquiries relating to roads,

education, social care or libraries. New requesters, not requiring any of the above, are directed towards an online form to make a request.

3.6 Internal Reviews

Requestors are able to ask the council for an internal review if they are not content with the Council's initial decision on whether or not to release the information they have requested. This is facilitated by way of a well-established internal review process. The Codes of Practice issued under the FOI Act and EIRs state that internal review procedures should "encourage a prompt determination of the complaint". Reviews under the FOIA should be completed within 20 working days. However reviews under the EIRs often relate to complex and difficult issues and up to 40 days may be taken to complete these internal reviews.

4 Next Steps

- 4.1 The 2014 report to Members outlined the requirements of the Local Government Transparency Code 2015 on the Council. Progress against those requirements is summarised throughout this report. The Council will continue its business process improvement and report back to Members in 2016.

5 Outcome of Consultations

- 5.1 Feedback from Members on this Working Group or predecessor committees has been sought annually. The Senior Leadership Team has been consulted prior to the publication of this report. Responses to feedback have been embedded in business process improvements.

6 Other Courses of Action Considered but Rejected

- 6.1 The council has a duty to respond to requests for information. There are no alternative courses of action.

7 Financial Consequences

- 7.1 The function has continued to meet growing demand within existing resources. There are no financial consequences to report.

8 Legal Consequences

- 8.1 The Council has continued to discharge the functions and duties of the Freedom of Information Act 2000, The Data Protection Act 1998 and the Environmental Information Regulations 2004.

9 Staffing Consequences

- 9.1 Staffing matters are the responsibility of the Head of Paid Service. There are no staffing consequences to report.

10 Risk Assessment

- 10.1 Risk CRR02 on the Council's Corporate Risk Register describes the Council's legal obligation to protect personal data. The Council's approach to Freedom of Information is part of the mitigation of Risk CRR02.

Appendix 1

Consequences of the Proposed Action

<p>How will the proposal help to reduce Crime and Disorder?</p>	<p>The Crime and Disorder Act 1998 imposes a duty on the Council to consider in all its decision making the requirements to reduce crime and disorder. Section 17 of the Crime and Disorder Act 1998 requires the Council to do all that it reasonably can to reduce crime and disorder. Information and Data handling is subject to the Council's Privacy Policy.</p>
<p>How will the proposal help to promote Human Rights?</p>	<p>The Human Rights Act 1998 requires not only that the Council shall not infringe the convention rights but also (by inference) promotes the convention rights. The Act is intended to change organisational culture and to promote transparency and openness. It is also intended to enhance, thereby, citizens' rights, particularly under Article 6 (The Proper Determination of Civil Rights). Article 8 of the European Convention on Human Rights, provides that individuals have a right to respect for their private life.</p> <ul style="list-style-type: none">• Interference must be justified and be for a particular purpose.• Justification could be protection of health, prevention of crime, protection of the rights and freedoms of others.• A decision to share information and the reasoning behind it should be recorded.
<p>What is the impact of the proposal on Equality and Diversity?</p>	<p>After consideration of the obligations, the report writer concludes that the noting of this report by members does not impact on equality and diversity.</p>
<p>How will the proposal help to promote Sustainability?</p>	<p>The increase in the publication of information through the Council's publication scheme continues to enable those who want to use the data to understand the council's approach to sustainability through its service delivery and supplier relationships.</p>

**CenSus Joint Committee
(Central Sussex Partnership)**

Minutes of a meeting held in
the Gordon Room, Town Hall, Worthing
at 10.00am on Friday 25 September 2015

Present:

Councillors: Daniel Humphreys (Chairman), Worthing Borough Council
Jim Funnell, Adur District Council
Brian Donnelly, Horsham District Council
Jonathan Ash-Edwards, Mid Sussex District Council

Apologies:

Councillors: Neil Parkin, Adur District Council
Mark Nolan, Worthing Borough Council
Gordon Lindsay, Horsham District Council
Gary Marsh, Mid Sussex District Council

Also Present:

Jane Eckford, Director for Customer Services, Adur and Worthing Councils
Paul Brewer, Director for Digital & Resources, Adur and Worthing Councils
Dave Briggs, Head of Design & Digital, Adur and Worthing Councils
Carol Stephenson, CenSus Programme Manager, Adur and Worthing Councils
Neil Terry, Senior Democratic Services Officer, Adur and Worthing Councils
Andrew Mathias, Senior Solicitor, Adur and Worthing Councils
Katharine Eberhart, Director of Corporate Resources, Horsham District Council
Tim Delany, Head of CenSus Revenues and Benefits, Mid Sussex District Council
Peter Stuart, Head of Finance: CenSus CFO, Mid Sussex District Council
John Ross, Head of CenSus ICT, Horsham District Council
Tom Clark, Solicitor to the Council, Mid Sussex District Council

CJC/009/15-16 Declarations of Interest

None.

CJC/010/15-16 Minutes

Resolved that the minutes of the meeting of the Committee held on 19 June 2015 be agreed and signed by the Chairman

CJC/011/15-16 Urgent Items

None.

CJC/012/15-16 CenSus Annual Return 2014/15

The Committee received a report from the Head of Finance, CenSus, setting out the result of the audit, by PKF Littlejohn, of the Annual Return agreed at the last meeting.

The Committee were informed that the auditor had queried the extent to which the Joint Committee had considered its own internal control and risk assessment when undertaking its business. The CFO for Census had been in dialogue with the auditor regarding their expectations and understood that the auditor would like to see evidence of those considerations at the Joint Committee rather than within the constituent authorities.

As a result, the return this year has an 'except for' statement within the Audit Result, which was similar to a qualification and was a repeat of the situation which occurred last year. However, Members noted that this would be the last year for any such audit as the audit thresholds had changed and were reassured therefore that the situation would not be repeated.

Resolved:

That the Census Joint Committee noted the outcome of the audit of the Annual Return.

CJC/013/15-16 CenSus Joint Committee Quarterly ICT Service Update

A report was presented by the Head of CenSus ICT, which considered the CenSus ICT service performance as at the end of August 2015 and the budget position at the end of July 2015.

The Head of CenSus ICT verbally updated the Committee on a number of issues including:-

- All Census sites had now migrated over to the WSCC / Capita hosted Wide Area Network (WAN);
- PSN accreditation had been retained at all sites in June 2015 and work was progressing transforming the approach to ICT related security matters from a Project to a Business as Usual activity;
- ICT Disaster Recovery was in place across all sites with the Veeam software product enabling rapid back-ups and cross site storage. This enabled restore in 2 hours rather than 14 hours historically;
- G/On remote access had been steadily deployed across the Partnership as and when requested by Business areas;
- Improved governance processes (particularly Change Management) had imposed necessary governance and disciplines to minimise uncontrolled activities & minimise risk;
- The Head of ICT had been working on the restructure of Census ICT to introduce clearer definitions of management responsibility and accountability;

resolve variances in role profiles & associated employee terms & conditions and create better opportunities for cross fertilisation of skill sets between sites. The plan was due to be submitted to the HDC Personal Committee in late September 2015;

- There had been no cross Partnership P1 Level service interruption events of note during the quarter.

A Member asked whether project timescales had been met and the Head of Census ICT replied that the WAN Project wasn't completed to schedule, although lessons had been learned in regards to dealing with contracts of that size. The Member responded that they would like to see timescales for projects included in future reports.

Members sought clarification regarding contract management, in particular, what happened when things went wrong? Officers advised that service credits / costs were claimed when contracts were not fulfilled.

Resolved:

That the CenSus Joint Committee noted:-

- I. the operational performance of the CenSus ICT service;
- II. the current status of the CenSus ICT project progress;
- III. the current status of the ICT non CenSus projects (site specific projects);
- IV. progress to date on ICT process development & restructuring of the team;
- V. the status of major ICT incident occurrence within the last quarter.

CJC/014/15-16 CenSus Revenues and Benefits

A report was presented by the Head of CenSus Revenues and Benefits, which outlined the performance and activity of CenSus Revenues and Benefits since the last update report in June 2015. The report also set out a rationale for making a change to Benefits targets in year.

The Committee:-

- noted the performance targets for the quarter;
- were asked to consider revising the 15/16 benefit targets in view of slightly changed priorities and to reflect the reality of CTS claims performance. It was suggested that a target of 20 days for processing new claims to Council Tax Support would be appropriate;
- noted that staff turnover had been particularly high with 9 staff departing in the financial year. Census was training 8 replacement staff but were having to backfill these posts with Agency staff, resulting in considerable overspend on the staffing budget;
- noted that Revenues telephones had switched to operating via the Mid Sussex switchboard from the 28 August;
- noted that all Connect modules had been installed and would be tested internally once issues around fire-walls had been resolved. All other modules were in place and being tested extensively;

- noted that three Fraud Investigators transferred to the DWP on the 1st September and that Census had retained a fraud support officer;
- was asked to consider a proposal to implement a Risk Based Verification Policy to verify Housing Benefit claims. It was proposed to implement this approach for Adur, Horsham and Mid Sussex from the 1 November 2015.

Members welcomed the report but expressed concern regarding staff turnover and the associated impact upon experience and ability within the team.

Resolved,

That the CenSus Joint Committee:-

- i) noted the performance and activity of the service;
- ii) approved changes to in year Benefits targets;
- iii) approved the introduction of a Risk Based Verification Policy;
- iv) approved the Chairman signing the Risk Based Policy for each Authority.

CJC/015/15-16 Joint Committee Work Programme 2015/16

The Partnership and Business Support Manager outlined the proposed work programme for 2015/16.

The Director for Digital & Resources at Adur and Worthing Councils advised the Committee that the function of Business Support would be moving to the Directorate for Customer Services. Both he and the Committee thanked Carol, Stephenson, the Partnership and Business Support Manager, for her support to the Partnership.

Resolved,

That the Census Joint Committee agreed the Work Programme for 2015/16.

CJC/016/15-16 Next Meeting

Resolved,

That the CenSus Joint Committee noted that the next meeting was scheduled to take place at 10.00am on 11th December 2015 in the Gordon Room, Town Hall, Worthing.

The meeting was declared closed by the Chairman at 10.35am, having commenced at 10.00am.

Chairman