

# Finance and Audit Scrutiny Committee

Wednesday 4 April 2018

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A meeting of the Finance and Audit Scrutiny Committee will be held at the Town Hall, Royal Leamington Spa on Wednesday 4 April 2018 at 6.00pm.

## Membership:

	Councillor Barrott (Chair)
Councillor Cain	Councillor Illingworth
Councillor Davies	Councillor Margrave
Councillor Gallagher	Councillor Noone
Councillor Gifford	Councillor Quinney
Councillor Howe	Councillor Wright

## Emergency Procedure

At the commencement of the meeting, the Chairman will announce the emergency procedure for the Town Hall.

## Agenda

### Part A – General Items

#### 1. Apologies and Substitutes

- (a) to receive apologies for absence from any Councillor who is unable to attend; and
- (b) to receive the name of any Councillor who is to act as a substitute, notice of which has been given to the Chief Executive, together with the name of the Councillor for whom they are acting.

#### 2. Declarations of Interest

Members to declare the existence and nature of interests in items on the agenda in accordance with the adopted Code of Conduct.

Declarations should be entered on the form to be circulated with the attendance sheet and declared during this item. However, the existence and nature of any interest that subsequently becomes apparent during the course of the meeting must be disclosed immediately. If the interest is not registered, Members must notify the Monitoring Officer of the interest within 28 days.

Members are also reminded of the need to declare predetermination on any matter.

If Members are unsure about whether or not they have an interest, or about its nature, they are strongly advised to seek advice from officers prior to the meeting.

3. **Minutes**

To confirm the minutes of the meeting held on 6 March 2018

**Part B Audit Items**

4. **Procurement Strategy Annual Review**

To consider a report from Finance

**Part C – Scrutiny Items**

5. **Review of Contracts Register – Health and Community Protection**

To consider a report from Health and Community Protection

6. **Review of Reserves**

To consider an update on Appendices 6a & 6b of the Executive Budget Report

7. **Finance & Audit Committee End of Term Report**

To consider a report from Democratic Services

8. **Review of the Work Programme, Forward Plan and Comments from the Executive**

To consider a report from Democratic Services

9. **Executive Agenda (Non Confidential Items and Reports) – Thursday 5 April 2018**

To consider the non-confidential items on the Executive agenda which fall within the remit of this Committee. The only items to be considered are those which Committee Services have received notice of by 9.00am on the day of the meeting.

**You are requested to bring your copy of that agenda to this meeting.  
(Circulated separately)**

10. **Public and Press**

To consider resolving that under Section 100A of the Local Government Act 1972 that the public and press be excluded from the meeting for the following item by reason of the likely disclosure of exempt information within the paragraphs of Schedule 12A of the Local Government Act 1972, following the Local Government (Access to Information) (Variation) Order 2006.

11. **Executive Agenda (Confidential Items and Reports) –Thursday 5 April 2018**

To consider the confidential items on the Executive agenda which fall within the remit of this Committee. The only items to be considered are those which Committee Services have received notice of by 9.00am on the day of the meeting.

**You are requested to bring your copy of that agenda to this meeting.  
(Circulated separately)**

12. **Minutes**

To confirm the confidential minutes of the meeting held on 6 March 2018

Agenda published Monday 26 March 2018

General Enquiries: Please contact Warwick District Council, Riverside House, Milverton Hill, Royal Leamington Spa, Warwickshire, CV32 5HZ.

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For enquiries about specific reports, please contact the officers named in the reports

You can e-mail the members of the Committee at [f&a@warwickdc.gov.uk](mailto:f&a@warwickdc.gov.uk)

Details of all the Council's committees, Councillors and agenda papers are available via our website [www.warwickdc.gov.uk/committees](http://www.warwickdc.gov.uk/committees)

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The agenda is also available in large print, on request, prior to the meeting by calling 01926 456114.

# Finance and Audit Scrutiny Committee

Minutes of the meeting held on Tuesday 6 March 2018 at the Town Hall, Royal Leamington Spa at 6.00pm.

**Present:** Councillor Barrott (Chair), Cain, Davies, Gifford, Howe, Illingworth, Margrave, Noone, Quinney and Wright.

**Also present:** Councillors Butler, Coker & Mobbs.

## 117. Apologies and Substitutes

- (a) Apologies for absence were received from Councillors Davies and Gallagher; and
- (b) There were no substitute members.

## 118. Declarations of Interest

Minute 126 - Executive Agenda (Non-Confidential Items & Reports – Wednesday 7 February 2018)

During the course of the meeting, Councillor Illingworth declared an interest because his wife was a member of one of the clubs applying for a Rural and Urban Capital Improvement Scheme grant.

## 119. External Audit

The Committee considered a report from Finance and the Council's external auditors, Grant Thornton, which brought a number of matters to Members' attention.

The report advised that the auditors had not been able to conclude audits of the accounts since 2013/14. The reason for this was that the auditors had been unable to complete their consideration of two objections to the 2013/14 accounts. The auditors had now been able to complete their investigations and had duly responded to the objectors. In both cases, the auditors concluded that it would not be in the public interest for them to make a public interest report under Section 8 of the Audit Commission Act 1998.

The auditors responded separately to the two objectors. Due to the detailed content of these letters, with much information which was of a personal nature, the Council's lawyers confirmed the auditors' letters may be shared with Finance and Audit Scrutiny Committee on a totally confidential basis. The Council's auditors also agreed with this.

Therefore, copies of the two letters were included as confidential Appendices A and B to this report, as item 15 on this agenda. The details of the confidential discussion relating to Item 15 would be set out in confidential Minute Number 121.

Mr Grant Patterson and Ms Helen Lillington attended as representatives of Grant Thornton and presented the reports.

In response to questions from Members, the officers advised that:

- Whilst it was recognised that both organisations had incurred costs due to the outstanding issues with the accounts, the additional expenditure did not need approval because it had been budgeted for in the relevant years' finances;
- It was not possible to provide a breakdown of the costs of the individual objections to the accounts at the meeting but the costs had increased with the complexity of the objection;
- With regard to 'Group Accounts', work was being undertaken to monitor these and officers would know more at the start of the new financial year;
- The Head of Finance was in touch with our contact at PSP Warwick LLP but there was some unhappiness with the robustness of the data. A temporary post had been established in the team which would be dedicated to working only on final accounts but this was very much a work in progress;
- Officers were challenging the fact that Year End for PSP was different to the Council's and were looking at changing this next year.

Ms Lillington advised that there were still challenges to ensure officers met the end of year deadline but the Finance team had made substantial adjustments so far. With regard to the working papers, Grant Thornton were working hard to instil more discipline and it was recognised that officers needed to improve processes to make this a reality.

The Strategic Finance Manager advised that she had been working closely with Ms Lillington and had worked on examples of standard format and these had been explained to the team. However, it was noted that officers needed to reach a consistent stage with these.

Members agreed that this was a very good report and was easy to read. The Chair extended the Committees' thanks to Mr Patterson and Ms Lillington, and to all the officers involved, for their work. Special thanks were also given to the Exchequer Manager, Mr Leech and the Benefits and Fraud Manager, Mrs Wyatt.

**Resolved** that:

- (1) the conclusion of the 2013/14, 2014/15 and 2015/16 audits, be noted;
- (2) the findings within the auditor's letters in respect of the objections to the 2013/14 accounts, that in effect the Council had no case to answer with a considerable cost being incurred by the local taxpayer for no good reason, be noted;
- (3) the conclusion of the audit of the 2016/17 Benefits Subsidy, be noted;

- (4) the conclusion of the audit of the 2016/17 Pooling of Housing Capital Receipts return, be noted; and
- (5) the 2017/18 External Audit Plan and the supporting document, Informing the Risk Assessment, be approved.

120. **Public & Press**

**Resolved** that under Section 100A of the Local Government Act 1972 that the public and press be excluded from the meeting for the following item by reason of the likely disclosure of exempt information within paragraph 3 of Schedule 12A of the Local Government Act 1972, following the Local Government (Access to Information) (Variation) Order 2006.

121. **External Audit Update – Confidential section – Appendices A & B**

The discussion on this item would be detailed in the confidential minutes to the meeting; however, the appendices were noted.

122. **Executive Agenda (Non-Confidential Items & Reports – Wednesday 7 March 2018)**

The Committee considered the following non-confidential items which would be discussed at the meeting of the Executive on Wednesday 7 March 2018.

Item 5 – Newbold Comyn Golf Course – Proposed Next Steps

The Committee supported the recommendations in the report.

123. **Public & Press**

**Resolved** that under Section 100A of the Local Government Act 1972 that the public and press be excluded from the meeting for the following item by reason of the likely disclosure of exempt information within paragraph 3 of Schedule 12A of the Local Government Act 1972, following the Local Government (Access to Information) (Variation) Order 2006.

124. **Executive Agenda (Confidential Items & Reports – Wednesday 7 March 2018)**

The Committee considered the following confidential item which would be discussed at the meeting of the Executive on Wednesday 7 March 2018.

Item 14 – Newbold Comyn Golf Course – Negotiated Settlement with Mack Trading (Heaton Park) Limited

The Committee noted the appendix.

**125. Review of the Assigning of Parent Company Guarantees and Other Types of Securities to Council Contracts**

The Committee considered a report from Finance which provided information on the issues relating to the assigning of securities to the Council's contracts, with particular emphasis on parent company guarantees.

A report was issued by the Deputy Chief Executive (AJ) to Executive on 4 January 2018 detailing problems with the Golf Contract at Newbold Comyn Golf Course and the issues resulting from this. The report advised that the contractor, Mack Trading, had recently ceased its operation at the golf course and wanted to withdraw from the contract that it had with the Council. In order to do this, a negotiated settlement was being sought.

The report set out a number of options and presented various recommendations for dealing with the situation.

Discussions on the report revealed that, although there was a PCG within the contract, this could not be invoked as it became clear that the parent company of Mack Trading had changed its company structure as to render the security useless.

At the Finance & Audit Scrutiny Committee meeting of 3 January 2018, following their consideration of the Golf Contract report to Executive, Members asked for an urgent review of the assigning of parent company guarantees (PCGs) to contracts. The review had been extended to cover all types of securities as the processes for setting these up and monitoring them are the same. It would, therefore, have been negligent, and ultimately unhelpful, not to have included all types of securities within the review.

The Audit and Risk Manager presented the report and advised that the review had revealed a mixed approach to guarantees and securities across the Council's services. He had noted that there was a lack of guidance on the topic and a lack of ownership of securities in some areas. During the course of the review, some contract owners did not know about the guarantee or security associated with their contract or the information was not readily available.

The Audit and Risk Manager advised that the Senior County Legal Officer had suggested that the Council was no worse than any other local authority in this area.

The Audit and Risk Manager felt that there would be improvements in the Council's arrangements when the strategic element of procurement moved to the County Council in due course.

The Committee was advised that there was an update to paragraph 5.5 of the report in that Housing Services' Cleaning contract did have a bond attached to it.

Councillor Cain addressed the Committee and reminded them that the Council's policy stated that a bond or a PCG was recommended. He explained the advantages of securing a bond over a PCG, which he felt was "not always worth the paper it was written on". In his experience, PCG's should be avoided on large construction projects and if a company could not produce a bond, it said something about their finances. Councillor Cain recommended that a line should be drawn as to when a PCG was appropriate.

Councillor Illingworth highlighted that Finance & Audit Scrutiny Committee had commissioned the report and thanked the Audit & Risk Manager for the detail provided. He contended that it was important to get the processes right, as reflected in the report's recommendations, rather than be dogmatic about applying just the one type of security. He recommended that, alongside noting the recommendations, these should be forwarded to the Senior Management Team for consideration.

Councillor Noone suggested that, in light of Councillor Cain's comments, the recommendations should be revisited. She felt that it would negate a lot of the checks if officers sought to put Bonds in place on all contracts because they appeared to be more secure.

Following a question relating to the monitoring of the Leisure Centre contracts, the Head of Culture assured the Committee that officers had entered into the Everyone Active contract with detailed briefing notes from legal services at County Council. She raised a concern with the comments suggesting that there was a "one size fits all" solution and advised that discussions were ongoing in relation to PCG's.

The Cultural Services Programme Officer explained that there was no "one size fits all" solution and explained why a PCG had been applied in respect of the Leisure Contract.

Members agreed that it was important to keep a balanced view and weigh up the risks for each individual case.

The Head of Finance suggested that this report was a starting point and that officers could take it forward to the Senior Management Team for consideration. It would be a corporate decision to think through the recommendations, whilst working with legal services and the procurement team to draw up a framework. He highlighted that the issue often came back to contract management and ensuring that robust training had been rolled out.

It was recognised that PCG's were not always monitored as frequently as they could be and it would be ideal to have a system that alerted officers when necessary.

Councillor Quinney suggested that officers report back in the autumn of 2018, following submission of the recommendations to SMT. It was

agreed that the Head of Finance and the Audit and Risk Manager would present the report to SMT.

**Resolved** that

- (1) the report set out at Appendix A be noted; and
- (2) a further report be brought to the Committee in autumn 2018 on the progress in implementing the recommendations emerging from the PCG report following its submission to the Senior Management Team.

**126. Executive Agenda (Non-Confidential Items & Reports – Wednesday 7 March 2018)**

The Committee considered the following non-confidential items which would be discussed at the meeting of the Executive on Wednesday 7 March 2018.

Item 8 – Commonwealth Games 2022

The Committee supported the recommendations in the report.

Item 12A – Rural and Urban Capital Improvement Scheme (RUCIS) Application

The Committee raised concerns about these applications putting the fund into deficit and proposed the following recommendations:

- (1) The Committee is concerned that these bids are putting the RUCIS fund into deficit.

We understand that Kenilworth Town Council has reserves of more than £300k, and an annual surplus of about £60k. We are sure that Kenilworth Town Council would be willing to further support these causes based in Kenilworth. So we urge the Executive to talk to KTC about funding the £14k shortfall; and

- (2) The Committee ask the Executive to consider seeking a higher contribution from the London & North Western Railway Society and asks the Executive to question the appropriateness of the grant to Kenilworth Rugby Club due to their future vacation from the site.

Item 4 – Local Code of Corporate Governance

The Committee noted the recommendations in the report but noted that there was always room for improvement especially in the areas of transparency and respect.

**127. Internal Audit Quarter 3 2017/18 Progress Report**

The Committee considered a report from Finance which advised on progress in achieving the Internal Audit Plan 2017/18, summarised the audit work completed in the third quarter and provided assurance that action had been taken by managers in respect of the issues raised by Internal Audit.

The report outlined the role and responsibilities of Audit Committees and explained that guidance was available from a number of sources. However, that which related to audit committees' relationship with internal audit and in particular the type and content of reports they should receive from internal audit, was summarised in Appendix 1 to the report.

At the start of each year Members approve the Audit Plan setting out the audit assignments to be undertaken. An analysis of progress in completing the Audit Plan for 2017/18 was set out as Appendix 2.

Each audit report gave an overall opinion on the level of assurance provided by the controls within the area audited. The assurance bands were detailed at section 11.2 of the report.

Seven audits had been completed in the third quarter of 2017/18. Copies of all the reports issued during the quarter were available via the Council's website. The action plans accompanying all Internal Audit reports issued in the quarter, were set out as Appendix 3 to the report.

These detailed the recommendations arising from the audits together with the management responses, including target implementation dates. Members noted that responses had been received from managers to all recommendations contained in audit reports issued during the quarter in question.

Two audits completed in the quarter were awarded a lower than substantial assurance opinion. These were in respect of the Events Management audit and the Energy Management audit. In line with procedure, the reports relating to these audits were attached as Appendix 4 for specific scrutiny.

The Audit & Risk Manager outlined the report and advised that there were no outstanding responses from managers.

Members were concerned about the report relating to Events Management but recognised that there had been some extensive reorganisation within this area. It was also noted that a number of implementation dates had slipped and this would be fed back to officers. Members felt that it was taking a long time to get some issues resolved.

**Resolved** that the report be noted and its contents be accepted.

**128. Internal Audit Strategic Plan 2018/19 – 2020/21 and Internal Audit Charter**

The Committee considered a report from Finance which presented the Internal Audit Strategic Plan 2018/19 – 2020/21 and the Internal Audit Charter for consideration and approval.

The Internal Audit Strategic Plan is an important element in providing the required independent and objective opinion to the organisation on its control environment, in fulfilment of statutory duties.

Internal Audit provided an independent opinion to the organisation on the control environment by evaluating its effectiveness in achieving the organisation's objectives. It examines, evaluates and reports on the adequacy of the control environment as a contribution to the proper, economic, efficient and effective use of resources.

The audits set out in the first year of the Plan were carried out throughout the year with timings (start dates) agreed with managers on individual audits, usually at the beginning of the year.

The Internal Audit Strategic Plan 2018/19 to 2020/21 comprising the planned reviews over this period was set out as the first Appendix to the report.

The compilation of the Internal Audit Charter is a requirement of the Public Sector Internal Audit Standards and this was attached at Appendix 2 to the report. This document explained the purpose and statutory basis of internal audit and detailed the role and responsibilities of the Finance and Audit Scrutiny Committee.

The Audit and Risk Manager outlined the report and following a question from Members, assured the Committee that his team had sufficient resources to carry out the plan as detailed.

**Resolved** that the Internal Audit Strategic Plan 2018/19 – 2020/21 and the Internal Audit Charter are approved.

#### 129. **Annual Governance Statement Qtr. 3 Action Plan Report**

The Committee considered a report from Finance which reviewed the progress being made in addressing the 'Significant Governance Issues' facing the Council set out in its Annual Governance Statement 2016/17. The appendix accompanying the report set out the progress in addressing the Significant Governance Issues.

The report advised that the production of an Annual Governance Statement was a statutory requirement for local authorities (Regulation 6 of The Accounts and Audit (England) Regulations 2015).

The CIPFA Financial Advisory Network published an advisory document entitled "The Annual Governance Statement: Rough Guide for Practitioners". Its advice was that the Annual Governance Statement was a key corporate document and the most senior member and the most senior officer (Leader and Chief Executive respectively) had joint responsibility as signatories for its accuracy and completeness. It advised that it should be owned by all senior members and officers of the authority and it was essential that there was buy-in at the top level of the organisation. It advised that the work associated with its production should not be delegated to a single officer.

The Leader and Chief Executive of the Council as signatories to the Annual Governance Statement need to ensure that it accurately reflected the governance framework for which they are responsible.

The significant governance issues facing the Council had been identified from production of the Statutory Annual Governance Statement and these were summarised in the Action Plan element of the statement for 2016/17.

The Annual Governance Statement had been approved by Council.

The progress in addressing these governance issues was reported by the officers leading on them and had been endorsed by the Senior Management Team at a recent meeting.

With regard to procurement, the Head of Finance advised that the strategic lead would be taken by Warwickshire County Council but bulk-managed by the Council's Finance team.

Members were pleased that the conflict of interest issue had been taken on board.

**Resolved** that the Action Plan set out in the Appendix is noted and the Committee confirms that it is satisfied with the progress being made in addressing the significant governance issues pertaining to the Annual Governance Statement 2016/17.

#### 130. **Review of Reserves**

The Committee were due to consider a verbal update from the Head of Finance in relation to Appendices 6a and 6b of the 2018/19 General Fund Budget and Council Tax report, which was agreed at Council on 21 February 2018. These appendices related specifically to budgeted reserves.

At its meeting on 6 February 2018, the Committee requested that these two appendices be scrutinised further to establish if the level of the reserve was appropriate and if the reserve itself was appropriate.

However, taking account of the late hour it was agreed that this item should be deferred until the April 2018 meeting, to allow sufficient time for consideration of the item.

**Resolved** that the update be deferred to the next meeting.

#### 131. **Review of the Work Programme and Forward Plan**

The Committee received a report from Democratic Services which informed the Committee of its work programme for 2018 and the current Forward Plan. Both of these documents were attached as appendices to the report.

The five main roles of overview and scrutiny in local government were: holding to account; performance management; policy review; policy development; and external scrutiny.

The pre-decision scrutiny of Executive decisions fell within the role of 'holding to account'. To feed into the pre-decision scrutiny of Executive decisions, the Committee needed to examine the Council's Forward Plan and identify items upon which it would like to have an impact.

The Council's Forward Plan was published on a monthly basis and set out the key decisions to be taken by the Council in the next twelve months. The Council only had a statutory duty to publish key decisions to be taken in the next four months. However, the Forward Plan was expanded to a twelve month period to give a clearer picture of how and when the Council would be making important decisions.

The Committee was mindful that any work it wished to undertake would need to be undertaken without the need to change the timescales as set out within the Forward Plan. The Committee may wish to give greater consideration to the reports in Section 2 of Appendix 1, to maximise the time available for Members to input into the process.

**Resolved** that

- (1) the Forward Plan be noted; and
- (2) the work programme be amended to include a review of reserves in April 2018; and a further report be brought to the Committee in autumn 2018 on the progress in implementing the recommendations emerging from the PCG report following its submission to the Senior Management Team.


**132. Comments from the Executive**

The Committee received a report from Democratic Services which summarised the Executive's response to comments given by the Finance & Audit Scrutiny Committee on reports submitted to the Executive on 7 February 2018.

The responses which the Executive gave to those items considered by the Finance & Audit Scrutiny Committee on 6 February 2018 were detailed in the appendix to the report.

**Resolved** that the responses made by the Executive, as set out in Appendix 1 to the report, be noted.

(The meeting ended at 9.17 pm)

 <b>Finance And Audit Scrutiny Committee</b>		<b>Agenda Item No. 4</b>
<b>Title</b>	Procurement Progress update	
<b>For further information about this report please contact</b>	<a href="mailto:John.roberts@warwickdc.gov.uk">John.roberts@warwickdc.gov.uk</a> <a href="mailto:Mike.snow@warwickdc.gov.uk">Mike.snow@warwickdc.gov.uk</a>	
<b>Wards of the District directly affected</b>	All	
<b>Is the report private and confidential and not for publication by virtue of a paragraph of schedule 12A of the Local Government Act 1972, following the Local Government (Access to Information) (Variation) Order 2006?</b>	No	
<b>Date and meeting when issue was last considered and relevant minute number</b>		
<b>Background Papers</b>		

<b>Contrary to the policy framework:</b>	No
<b>Contrary to the budgetary framework:</b>	No
<b>Key Decision?</b>	Yes
<b>Included within the Forward Plan? (If yes include reference number)</b>	Yes/No
<b>Equality &amp; Sustainability Impact Assessment Undertaken</b>	No (If No state why below)
No assessment as this is a progress report.	

Officer/Councillor Approval		
Officer Approval	Date	Name
Chief Executive/Deputy Chief Executive	1 <sup>ST</sup> March 2018	Andy Jones
Head of Service	1 <sup>ST</sup> March 2018	Mike Snow
CMT		
Section 151 Officer	1 <sup>ST</sup> March 2018	Mike Snow
Monitoring Officer	1 <sup>ST</sup> March 2018	Andy Jones
Finance	1 <sup>ST</sup> March 2018	John Roberts
Portfolio Holder(s)	1 <sup>ST</sup> March 2018	Cllr Peter Whiting
Consultation & Community Engagement		
Senior Management Team Procurement Champions		
Final Decision?		Yes
Suggested next steps (if not final decision please set out below)		

## **SUMMARY**

- 1.1 The report is presented to the Committee to provide Elected Members with greater visibility of all the Council's procurement activity.
- 1.2. The Report gives a snap shot on how procurement is organised within Warwick District Council and the resources that are being utilised to deliver effective procurement.
- 1.3. This report serves to update progress on Procurement during the financial year 2017/18.

## **2. RECOMMENDATION**

- 2.1 It was agreed at the July 2010 Executive as part of the Procurement Strategy that Members would receive an annual update on the progress of procurement and the procurement strategy.
- 2.2 It is recommended that the progress across the procurement function over the past 12 months is noted.
  - Appendix One: Record of Progress against Procurement Action Plan 2017/2018
  - Appendix Two: Proposed Procurement Action Plan to achieve Strategic Procurement Objectives for 2018/2019
  - Appendix Three A: Procurement Activity from April 2017-March 2018
  - Appendix Three B: Summary of Contracts Register for live Contracts/agreements with a total value £5, 000 or more
  - Appendix Four : Key Performance Indicators - April 2017 - March 2018
  - Appendix Five: Warwick District Council's Progress towards National Procurement Strategy
  - Appendix Six : Contract Exemptions Permitted: April 2017 - March 2018
  - Appendix Seven: Procurement Tweets report

## **3. REASONS FOR THE RECOMMENDATION**

- 3.1 It was agreed at the July 2010 Executive as part of the Procurement Strategy that Members would receive updates on the progress of procurement and the procurement strategy. This is one of the actions within the Procurement Action Plan.
- 3.2 The Councils' combined expenditure is approximately £35 million a year on the acquisition of goods and commissioning of works and services through procurement activity and the provision of grants to third party organisations.
- 3.3 The Procurement Team has been extremely busy over the past 12 months supporting the delivery of a large number of procurement exercises for goods, services and works.
- 3.4 Significant progress has been made in improving the Council's procurement practice since the development of the current Procurement Strategy. Many elements of the strategy have been implemented and are now fully integrated as part of the Council's standard procurement processes.

### 3.5 Actions addressed in 2017/ 2018 include:

- The Procurement Rules and Guidance were reviewed to bring them in line with the latest legislative requirements as well as to streamline and simplify processes.
- Checks were made to ensure that the Council fully complies with the Public Contracts Regulations 2015;
- Checks were made to ensure that the Council maximises its use of suitable Framework Arrangements when acquiring goods and services;
- Steps were taken to make sure that procurement is a key consideration in projects from early stages.
- Work has continued to take place with Officers across the Council to develop outcome specifications which require a certain outcome rather than specifying inputs and outputs which are not overly restrictive and rely more on the expertise of the market. Used as appropriate, outcome specifications enable a more flexible and intelligent approach to procurement.
- Actively encouraged Sponsoring Managers and Officers to consider how to obtain social value in all tenders and to consider sustainability at the 'identify need' stage of the procurement cycle
- Promoted pre-market engagement with Small and Medium Enterprises and Voluntary, Charity, Social Enterprises through advertising tender opportunities via "Contracts Finder", Federation of Small Business, Coventry and Warwickshire Chamber of Commerce and the Council websites and provided support to Sponsoring Managers and Officers carrying it out.

### 3.6 Actions addressed in 2018/ 2019 are outlined in Appendix Two

### 3.7 The Key Challenges ahead for Procurement

- Ensure procurement is undertaken at the right level with the right people and relevant training
- Use technology and in particular eProcurement to support Organisational and behavioural change
- Make procurement a key management activity
- Involve Members in the procurement strategy so they provide leadership in embedding procurement excellence into the culture of the Council
- Comply with all legislation relating to procurement activity
- Develop partners and partnership working
- Stimulate markets and the Local Economy to be able to procure from a diverse and competitive range of suppliers including minority businesses, voluntary and community sector groups and SME's
- Enhance existing guidance and support offered to officers on procurement process/contract management
- Provide strategic procurement advice to major projects
- Provide procurement training for Members, Officers and Suppliers

### 3.8 The Federation of Small Business have presented Warwick District Council's Procurement team with an award as the Best 'Small Business Friendly' Procurement Policy for 2017

### 3.9 The current Procurement Manager is retiring in April 2018. The loss of expertise and experience will undoubtedly have an effect in the short term but plans are in place which will ensure the service continues to meet Council demand.

## 4. POLICY FRAMEWORK

#### 4.1 Fit for the Future (FFF)

The Council's FFF Strategy is designed to deliver the Vision for the District of making it a Great Place to Live, Work and Visit. To that end amongst other things the FFF Strategy contains several Key projects.

The FFF Strategy has 3 strands – People, Services and Money and each has an external and internal element to it. The table below illustrates the impact of this proposal in relation to the Council's FFF Strategy.

<b>FFF Strands</b>		
<b>People</b>	<b>Services</b>	<b>Money</b>
<b>External</b>		
<b>Health, Homes, Communities</b>	<b>Green, Clean, Safe</b>	<b>Infrastructure, Enterprise, Employment</b>
<u>Intended outcomes:</u> Improved health for all Housing needs for all met Impressive cultural and sports activities Cohesive and active communities	<u>Intended outcomes:</u> Area has well looked after public spaces All communities have access to decent open space Improved air quality Low levels of crime and ASB	<u>Intended outcomes:</u> Dynamic and diverse local economy Vibrant town centres Improved performance/productivity of local economy Increased employment and income levels
<b>Impacts of Proposal</b>		
No direct impact	No direct impact	No direct impact
<b>Internal</b>		
<b>Effective Staff</b>	<b>Maintain or Improve Services</b>	<b>Firm Financial Footing over the Longer Term</b>
<u>Intended outcomes:</u> All staff are properly trained All staff have the appropriate tools All staff are engaged, empowered and supported The right people are in the right job with the right skills and right behaviours	<u>Intended outcomes:</u> Focusing on our customers' needs Continuously improve our processes Increase the digital provision of services	<u>Intended outcomes:</u> Better return/use of our assets Full Cost accounting Continued cost management Maximise income earning opportunities Seek best value for money
<b>Impacts of Proposal</b>		
The new Procurement Strategy removes unnecessary barriers and complexity from processes and procedures in order to obtain better value for money by encouraging a wider range of suppliers, especially small businesses, to bid for contracts .	The aim of this strategy is to set out a clear framework for undertaking procurement exercises throughout the authority, one which ensures best value through our external spend, and reflects and promotes the wider aims of the Council's Corporate Plan . The agreed strategy is	Good procurement helps the Council achieve its priorities. If procurement is ineffective there will be less capacity, fewer goods, limited benefits, financial uncertainty and/or poorer outcomes

## 4.2 Supporting Strategies

Each strand of the FFF Strategy has several supporting strategies and the relevant ones for this proposal are explained below:-

- Procurement Strategy
- Code of Procurement Practice

## 4.3 Changes to Existing Policies

The proposals in this report do not propose any changes to existing policies.

## 5. BUDGETARY FRAMEWORK

- 5.1 Improved procurement practice helps to reduce the costs associated with undertaking procurement. The Code of Procurement Practice complements the Code of Financial Practice in ensuring that financial best practice is applied to the procurement of goods, services or works. Compliance helps protect the Council by minimising procurement risks, whilst ensuring best value is obtained. The actions to date from the Procurement Action Plan have all had a positive contribution to savings and efficiencies.
- 5.2 It is not anticipated that the outcome of "Brexit" will impact the UK procurement legislation in the short term.

## 6. RISKS

Competitive procurement remains the cornerstone of the Council's procurement approach as this is considered to be the fairest way of awarding contracts and will deliver value for money for the Council and its community in the most transparent way. There may be circumstances where a direct contract with a sole supplier will be appropriate; however, no direct contracts will be placed where it will put the Council in contravention of the requirements of the Public Contract Regulations 2015.

Risk Identified	Risk Management Actions Planned
Procurement activity does not comply with the legal framework	All procurement activity is run through the Procurement Team with input from Legal as necessary
Results of procurement activity do not offer value for money	Continue to consider cost, quality and added value in all procurement activity with support from the Procurement Team.
Failure to follow the agreed Council Procedures and, as a consequence, not obtaining best value procurement	Wide circulation of 'reasons to meet the Rules' and provide advice to officers needing to use the Rules

Failure to follow EU procurement rules by not advertising in OJEU above a threshold.	Wide circulation of information relating to contract compliance, advice and service in placing requisite advert in OJEU for officers in service areas
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## **7. ALTERNATIVE OPTION(S) CONSIDERED**

7.1 No alternatives options are for consideration as this is a progress report

## APPENDIX ONE

### Record of Progress against Procurement Action Plan 2017/2018

#### 1. Strategic Theme: Making Savings

To use sound procurement practices and innovative solutions to make savings and achieve value for money, making use of clear and detailed procurement/purchasing data, collaboration and partnership opportunities where appropriate.

Strategic Objective Activity	Main actions and commitments	Progress to date	Key Measurements
<p>To maintain a “continuous improvement” ethos throughout the organisation to manage and monitor cost and efficiency savings through good procurement practice</p> <p>Maintain the contracts register and procurement plan to ensure that all market testing activity is legally compliant and deadlines are met</p> <p>Reduce the number of tenders for each supply area through collaboration of tender opportunities.</p> <p>Work towards reducing the number of invoice transactions with current suppliers and new suppliers via the tender Procurement process.</p> <p>As part of the pre tender Procurement process explore the</p>	<p>Carry out an independent review of WDC’s Procurement team (its management and staffing structure, practice and procedures) and consider alternative ways of working. The overall aim being to identify the best fit (in terms of functional organisation, resources, methodology and processes) that will add value and meet the requirements of the Council.</p> <p>Review and reduce off-contract spend.</p> <p>Plans and options appraisal are made well in advance of expiry of contract</p> <p>Benchmark transactional costs with best practice organisations. Spend analysis of top / high</p>	<p>The report itself lacked robustness in some of its recommendations , however it did indicate that actions should be considered to address the Staff turnover experienced across the last few years by enhancing the career structure and salary and thus recognising the Procurement function’s strategic and operational importance</p> <p>We arrange regular meetings with sponsoring Managers , contract owners and interested parties in order to promote and disseminate procurement policies and practices across the Council and achieve a more consistent and co-ordinated approach to procurement</p> <p>Existing procurement model is being reviewed to strengthen consultation with the Procurement</p>	<p>% of total expenditure covered by a contracts register</p> <p>% by value and number of contracts that are EU regulated procurements</p> <p>% by value and number of contracts that are ‘lower value regulated procurements’ (i.e. goods and services &gt; £50k and works &gt; £2m)</p> <p>Totals of maverick and compliant expenditure in last FY</p> <p>% of total non-pay spend channelled through collaborative arrangements with other</p>

## 1. Strategic Theme: Making Savings

To use sound procurement practices and innovative solutions to make savings and achieve value for money, making use of clear and detailed procurement/purchasing data, collaboration and partnership opportunities where appropriate.

Strategic Objective Activity	Main actions and commitments	Progress to date	Key Measurements
<p>use of buying consortia for the bulk purchase common goods and utilities, for example through ESPO, Fusion 21, Home &amp; Communities Agency or Crown Commercial Services.</p> <p>Investigate and where applicable enter into joint arrangements for Procurement of goods and services with other Local Authorities.</p> <p>Utilise framework agreements as a preference to negotiating local agreements for high value contracts of general goods and services (e.g. IT hardware, telecoms, energy).</p> <p>Where possible ensure that the letting of contracts permits use by other Local Authorities within the West Midlands area.</p>	<p>volume low value contractors to reduce transactional costs</p> <p>Standardised, corporate processes and documentation to be implemented across the Council.</p> <p>Review procurement performance and report progress.</p> <p>Develop an annual Forward Procurement Plan and publish on the Council's website</p> <p>Produce and publish the current contract register on a quarterly basis.</p> <p>Maintain contracts register</p> <p>Review of Procurement Card spending levels and activity.</p>	<p>team and compliance with Code of Procurement practice</p> <p>WDC's procurement framework sets out our required standards and principles throughout each stage of the Procurement cycle and we continue to review progress.</p> <p>A register of formal contracts (and on-going procurement requirements) is produced ( and reviewed on a regular basis ) to provide a comprehensive overview of the Council's position. It is used to ensure that procurement arrangements are aggregated most effectively (either at a corporate or wider public sector level), that correct procedures are used when contracts are let and that renewal happens on a timely basis (identifying resources required at an early stage).</p> <p>A project to evaluate the format of the current contract register has commenced</p>	<p>buying organisations</p> <p>Number of Approved Exemptions below £20k</p> <p>Number of Approved Exemptions above £25k</p> <p>Risk register data</p>

## 1. Strategic Theme: Making Savings

To use sound procurement practices and innovative solutions to make savings and achieve value for money, making use of clear and detailed procurement/purchasing data, collaboration and partnership opportunities where appropriate.

Strategic Objective Activity	Main actions and commitments	Progress to date	Key Measurements
		<p>Presently undertaking a review of the current status on signed contracts.</p> <p>Exploring the possibility to deliver contracts by electronics means.</p> <p>The Code of Procurement Practice has been amended to promote greater use of Procurement cards and thus reduce the number of invoice transactions</p> <p>The creditor request form is being amended to direct staff to use procurement cards for transactions below £1000, or frequent low spend transactions.</p> <p>There is an ongoing objective the regular updating of the Contracts Register and the forward Procurement plan enables Service Managers to considered collaborative procurement opportunities as part of the business strategy for current and future Procurement activity to support service areas.</p>	



## 2. Strategic Theme: Supporting Local Economies

To use the procurement process to promote sustainability, encourage benefits to society and the economy, providing greater access to SME's and Voluntary and Community Organisations and Social Enterprises ("VCSE's"), whilst minimising damage to the environment through the promotion of social value in contracts.

Strategic Objective Activity	Main actions and commitments	Progress to date	Key Measurements
<p>Implement the requirements of the Public Services (Social Value) Act 2012 and Local Transparency Code.</p> <p>Engage with local businesses, voluntary and 3<sup>rd</sup> sector organisations promoting the councils commercial and social support opportunities i.e. Local Chamber of Commerce</p> <p>Support local businesses to bid for council business by providing training and organising seminars and meet the buyer events.</p> <p>Encouraging local suppliers, SME's and the voluntary and the third sector to compete for Council contracts and ensure such opportunities are promoted locally</p> <p>Provide Procurement support to prosperity agenda initiatives.</p> <p>Consider how the Procurement function may directly contribute to the prosperity agenda.</p>	<p>Encouraging local suppliers to bid for opportunities</p> <p>Regular 'selling to the council' events and pre-procurement market engagement</p> <p>To provide a dedicated Procurement webpage to provide suppliers with a simple unified approach to procurement activity within the Council.</p> <p>Encourage Suppliers and Contractors to attend Business Breakfasts and annual meetings</p> <p>Maintain current Procurement information on the Council website.</p> <p>Quarterly publication of register in line with the requirements of the Transparency Code</p> <p>Utilise intranet to inform on Procurement Procedures and any changes in best practice guidance</p> <p>Engage with relevant stakeholders</p>	<p>We are currently working to embed social value embedding it within all appropriate tenders in line with the Code of Procurement Practice rules</p> <p>Signed up to the Small Business Friendly Procurement Charter Committing to support small businesses.</p> <p>SME procurement policy has just won the FSB local authority award for 2017</p> <p>We are currently working to engage with local business to better understand what its perceived development needs are so as to maximise its capability to win WDC supply opportunities</p> <p>Training events were organised in 2017 and a further occasions are planned for</p>	<p>Number of employees successfully completing in house training</p>

## 2. Strategic Theme: Supporting Local Economies

To use the procurement process to promote sustainability, encourage benefits to society and the economy, providing greater access to SME's and Voluntary and Community Organisations and Social Enterprises ("VCSE's"), whilst minimising damage to the environment through the promotion of social value in contracts.

Strategic Objective Activity	Main actions and commitments	Progress to date	Key Measurements
	<p>and service users to ensure that needs analysis and design of specifications reflects community requirements and recognises the contribution of existing local services</p> <p>Utilise the Council Website and other public sector opportunity outlets such as Contracts Finder to inform the market of the opportunities available and how to access them.</p> <p>Develop a procurement customer satisfaction survey</p> <p>Maintain and update the business portal on the council's website using appropriate communication</p>	<p>In order to promote procurement opportunities and increase the number of Local SMEs registered on the CSW-JETS e- portal, All Potential Procurement opportunities via Federation of Small Business's weekly e newsletter and also advertised via Coventry Chamber of Commerce and "Find it in Birmingham" web site.</p>	

## 2. Strategic Theme: Supporting Local Economies

*To use the procurement process to promote sustainability, encourage benefits to society and the economy, providing greater access to SME's and Voluntary and Community Organisations and Social Enterprises ("VCSE's"), whilst minimising damage to the environment through the promotion of social value in contracts.*

Strategic Objective Activity	Main actions and commitments	Progress to date	Key Measurements
<p>Give assurance\confidence to local communities, business and employees that the Council's procurement is managed effectively and appropriately in accordance with legislation and government policy</p> <p>Up-skill, train and update those staff who are engaged on procurement activity to maintain a corporate perspective and promote good procurement practice</p> <p>Produce bi-annual reports to Finance and Audit Scrutiny Committee on all Procurement activity undertaken in the preceding period and any efficiency identified.</p> <p>Work with service areas / end users to develop clear / robust quotation / tender documentation ensuring their specification is in line with business needs of the Council, where appropriate.</p>	<p>Promote and develop Corporate understanding of the Procurement Strategy</p> <p>Review EU Procurement Rules and UK legislation and make necessary changes to existing approaches.</p> <p>Comprehensively training staff, fully understand process and procedures in relation to procurement and contract management</p> <p>Use of forward procurement plan to ensure strategic, high value, high risk contracts are well planned in advance of expiry, with all options considered, and fully resourced</p> <p>Sustainability and environmental issues are considered for all procurement activity</p> <p>Service plans and team operational plans to reflect planned tender activity.</p>	<p>Interactive form being developed for staff to use to determine the correct procurement procedures to use</p> <p>The Procurement team regularly provide periodic and annual reports to Council and Senior Management team.</p> <p>Procurement are currently reviewing and updating the Council's Procurement Toolkit on a regular basis to ensure a simple guide is available to assist members of staff who are undertaking varying procurement exercises</p> <p>We arrange regular Procurement Steering Group meetings in order to promote and disseminate procurement policies and practices across the Council and achieve a more consistent and co-ordinated approach to procurement</p>	<p>No of suppliers located within Warwick District registered on CSWJETS</p> <p>% of contracts where a local/SME Supplier submits a tender</p>

## 2. Strategic Theme: Supporting Local Economies

*To use the procurement process to promote sustainability, encourage benefits to society and the economy, providing greater access to SME's and Voluntary and Community Organisations and Social Enterprises ("VCSE's"), whilst minimising damage to the environment through the promotion of social value in contracts.*

Strategic Objective Activity	Main actions and commitments	Progress to date	Key Measurements
<p>Promote use of e-tendering software for Contract Management</p> <p>Utilise Project Management tools to assist in Procurement Plans</p> <p>Work with Members, Managers and Officers to increase education and awareness of regulations and the Council's Policies.</p> <p>Disseminate the strategy to officers and members.</p> <p>Provide support and training for senior staff involved in Procurement activities and members as required.</p>	<p>Ensure that there are no unintentional breaches in the EU Procurement threshold.</p> <p>Carry out Procurement awareness training sessions to increase and maintain knowledge of Procurement regulations and the Council's policies</p> <p>Lead on Procurement activity in line with the Code of Procurement Practice.</p> <p>Review and update Code of Procurement Practice.</p> <p>Review and update Procurement Strategy document and update actions for the forthcoming year.</p> <p>Identify key Procurement activities and for each assess main sustainability issues to be addressed</p> <p>Ensure staff that are involved in Procurement are capable and trained in the use of the e-</p>		

## 2. Strategic Theme: Supporting Local Economies

*To use the procurement process to promote sustainability, encourage benefits to society and the economy, providing greater access to SME's and Voluntary and Community Organisations and Social Enterprises ("VCSE's"), whilst minimising damage to the environment through the promotion of social value in contracts.*

Strategic Objective Activity	Main actions and commitments	Progress to date	Key Measurements
	tendering software  Arrange contract management training for all staff involved with contract management.		

### 3. Strategic Theme: Leadership

*To continue to embed professional procurement and contract management Skills across the Council and promote involvement/engagement with national and local discussion groups.*

Strategic Objective Activity	Main actions and commitments	Progress to date	Key Measurements
<p>Ensure that there are no unintentional breaches in the EU Procurement threshold.</p> <p>Maintain current Procurement information on the Council website.</p> <p>Utilise the Council Website and other public sector opportunity outlets such as Contracts Finder to inform the market of the opportunities available and how to access them.</p> <p>Maintain current Procurement information on the Council website.</p> <p>Maintain standard pro-forma documentation on the Council intranet.</p> <p>Maintain standard pro-forma documentation on the Council intranet.</p>	<p>All procurement and contract management activity is fully compliant with legislation and procedure rules</p> <p>Provide training across directives on how Procurement Strategy links with Sustainability Policy</p> <p>Ensure that all tenders will have the appropriate KPIs and provision that allows a break or termination.</p> <p>For continuing contracts, set up Procurement process for reviewing sustainability requirements as existing contracts are due for renewal</p> <p>Maintain current Procurement information on the Council website.</p> <p>Maintain standard pro-forma documentation on the Council intranet.</p>	<p>The regular updating of the Contracts Register and the forward Procurement plan enables Service Managers to consider the Code of Good Practice rules and identify the most appropriate procurement routes as part of the business strategy for current and future Procurement activity to support service areas</p> <p>All significant procurements are assessed pre-procurement to identify the optimum route to market</p> <p>We attend the District Procurement Group meetings in order to disseminate procurement policies and practices and promote collaborative procurement opportunities.</p>	<p>Number of formal legal challenges received and upheld against the total number of tenders</p>

### 3. Strategic Theme: Leadership

*To continue to embed professional procurement and contract management Skills across the Council and promote involvement/engagement with national and local discussion groups.*

Strategic Objective Activity	Main actions and commitments	Progress to date	Key Measurements
<p>Utilise intranet inform on Procurement Procedures and any changes in best practice guidance</p> <p>Utilise intranet inform on Procurement Procedures and any changes in best practice guidance</p> <p>Implement pre market engagement events prior to the formal commencement of all appropriate Procurement projects</p> <p>Meet with District Procurement Group and attend appropriate training sessions and workshops Develop a collaborative work plan with colleagues from across the public sector</p>	<p>Utilise intranet to inform on Procurement Procedures and any changes in best practice guidance.</p> <p>Maintain and update the business portal on the council's website using appropriate communication media to engage with the market-place.</p>		

#### 4 Strategic Theme: Modernisation

*To use sound procurement and contract management practices to generate income, encourage supplier innovation and to eliminate anything that does not add value to the procurement. This will be supported through the use of e procurement technology.*

Strategic Objective Activity	Main actions and commitments	Progress to date	Key Measurements
<p>Ensure that procurement policy and procedures are in line with current legislation, good practice principles and maximising the benefits of technology.</p> <p>Conduct research and carry out soft market testing where necessary in order that procurements are focussed and future proofed</p> <p>Maintain good networking relationships with other procurement professionals to ensure that good practice and principles are shared and identify and explore opportunities for income generation and sponsorship</p>	<ul style="list-style-type: none"> <li>• Ensure that there are no unintentional breaches in the EU Procurement threshold.</li> <li>• Maintain current Procurement information on the Council website.</li> <li>• Utilise the Council Website and other public sector opportunity outlets such as Contracts Finder to inform the market of the opportunities available and how to access them.</li> <li>• Maintain current Procurement information on the Council website.</li> <li>• Maintain standard pro-forma documentation on the Council intranet.</li> <li>• Maintain standard pro-forma documentation on the Council intranet.</li> <li>• Utilise intranet inform on Procurement Procedures and any changes in best practice guidance</li> </ul> <p>Utilise intranet inform on Procurement Procedures and any changes in best practice guidance</p>	<p>The regular updating of the Contracts Register and the forward Procurement plan enables Service Managers to consider the Code of Good Practice rules and identify the most appropriate procurement routes as part of the business strategy for current and future Procurement activity to support service areas.</p> <p>All significant procurements are assessed pre-procurement to identify the optimum route to market</p> <p>We attend the District Procurement Group meetings in order to disseminate procurement policies and practices and promote collaborative procurement opportunities.</p>	

	<p>Implement pre market engagement events prior to the formal commencement of all appropriate Procurement projects</p> <ul style="list-style-type: none"><li>• Meet with District Procurement Group and attend appropriate training sessions and workshops</li></ul> <p>Develop a collaborative work plan with colleagues from across the public sector</p>		
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## Appendix Two

### Proposed Procurement Action Plan to achieve Strategic Procurement Objectives for 2018/2019

Strategic Theme:	Planned Main action:	Performance Measures
<b>1. Making Savings</b> To use sound procurement practices and innovative solutions to make savings and achieve value for money, making use of clear and detailed procurement/ purchasing data, collaboration and partnership opportunities where appropriate.	<ul style="list-style-type: none"> <li>• Review the procurement framework for the council.</li> <li>• Review the procure-to-pay process for the council</li> <li>• Embed contract management framework across the council including the provision of appropriate training.</li> </ul>	<ul style="list-style-type: none"> <li>• New procurement strategy for the council</li> <li>• % of total non-pay spend channelled through collaborative arrangements with other buying organisations</li> </ul>
<b>2. Supporting local economies</b> To use the procurement process to promote sustainability, encourage benefits to society and the economy, providing greater access to SME's and Voluntary and Community Organisations and Social Enterprises ("VCSE's"), whilst minimising damage to the environment through the promotion of social value in contracts.	<ul style="list-style-type: none"> <li>• Increasing visibility of opportunities and capacity of the local business sector to make it easy for suppliers to trade with the council.</li> <li>• Maximise the functionality of the E-tendering procurement solution and other online and social media.</li> <li>• Maximise use of cross-authority links to engage with local businesses.</li> </ul>	<ul style="list-style-type: none"> <li>• Percentage of suppliers located within Warwick District</li> <li>• Number of local suppliers actively registered on CSWJETS E-Portal</li> <li>• Number of SMEs bidding for tendering opportunities.</li> <li>• Number of SMEs awarded contracts</li> </ul>
<b>3. Leadership</b> To continue to embed professional procurement and contract management skills across the Council and promote involvement/engagement with national and local discussion groups.	<ul style="list-style-type: none"> <li>• Evolve the procurement culture within the council to becoming more focused on whole life costing and adding value, while maintaining an appropriate governance role.</li> <li>• Develop a Procurement board incorporating SMT to: encourage high level strategic thinking; widen communication channels within the Council and raise awareness of policy; increase procurement representation and identify potential benefits.</li> <li>• Maximise the relationship with WCC to add value</li> </ul>	<ul style="list-style-type: none"> <li>• Number of employees successfully completing in house training</li> <li>• % Private Sector suppliers with a formal contract agreement</li> <li>• Number of Approved Exemptions above and below £20k</li> <li>• Report to progress to</li> </ul>

	<p>to the council procurement function.</p> <ul style="list-style-type: none"> <li>• Ensure all signed contract agreements are filed and recorded with Document Management Store or electronic contract folder.</li> <li>• Implement a procurement risk register using high/medium and low risk assessment methodology.</li> <li>• Promote procurement leadership within service areas, including the provision of appropriate training where applicable.</li> </ul>	<p>members as appropriate</p> <ul style="list-style-type: none"> <li>• Increased customer satisfaction with the procurement service</li> </ul>
<p><b>4. Modernisation</b></p> <p>To continue to embed professional procurement and contract management skills across the Council and promote</p>	<ul style="list-style-type: none"> <li>• Ensure that the procurement function is developed effectively, while initiating projects to improve best practice and streamline services.</li> <li>• Develop good networking relationships with other procurement professionals and colleagues from across the public sector, to ensure that good practice and principles are shared.</li> <li>• Maximise procurement opportunities through pre-market engagement.</li> <li>• Ensure continuous professional development of the procurement team.</li> <li>• Ensure that the council has an up-to-date and complete procurement programme.</li> </ul>	<ul style="list-style-type: none"> <li>• Number of formal legal challenges received and upheld against the total number of tenders</li> <li>• Update forward procurement plan for all expenditure over £25,000 for each head of Service</li> </ul>

## APPENDIX THREE A

### Procurement activity From April 2017 – March 2018

#### Part One - Awarded Contracts in 2017/18

Description	Service Areas	From	To	Estimated Contract Value	Final contract value variance	Comment	Supplier
Consultant to aid in investigating generating advertising and sponsorship income	Chief Executive Office	12/04/2017	until completion	£12,000	£0	Budget matched to quote.	Incadore Ltd trading as Publitas Consulting
Provision of polling station cabins	Chief Executive Office	01/04/2017	31/03/2022	£20,000	-£5,813	First formalised contract for provision of polling cabins. Winning bid was for £14186 over 5 years. Anticipated saving of £5813 against budget over life of contract.	Ashtead
Delivery and collection of polling screens	Chief Executive Office	01/04/2017	31/03/2022	£30,000	-£14,544	First formalised contract for provision of polling cabins. Winning bid was for £ 17489 over 5 years. Anticipated saving of £14544 against budget over life of contract	Hi Lite Electrical Ltd
Elections Management system	Chief Executive Office	01/04/2017	31/03/2022	£180,000	-£100,000	Renegotiated contract following exemption. £15,456 for year one then this figure increase by rpi for each subsequent year. Estimated saving of £100,000 against budget over life of contract.	Xpress
Venue to host election counts	Chief Executive	01/04/2017	31/05/2020	£38,285	£0	Budget matched to quote.	Grandstand Stoneleigh Events Ltd

Description	Service Areas	From	To	Estimated Contract Value	Final contract value variance	Comment	Supplier
administered by Warwick District	Office						
Secure Content Filtering Gateways for Web & Email	Chief Executive Office	30/04/2017	29/04/2020	£34,394	+£2,706	Price increase due to market movement. Budget matched to winning bid of £37,100	Foursys Ltd
Bespoke developer training	Chief Executive Office	27/04/2017	31/07/2017	13,200	£0	Budget matched to quote.	Quanta Training Ltd
The daily maintenance, servicing, and emergency call-out for 2 outdoor paddling pools at St Nicholas and Vicoria Parks for the 2017 Season Services	Chief Executive Office	22/05/2017	21/09/2017	43,694	£0	Budget matched to quote. One off stop gap measure to cover until this is taken over by SLM Lesure management.	Poolcare Leisure Ltd
A range of office supplies required	Chief Executive Office	01/07/2017	30/06/2020	40,000	0	Spend will be adhock according to need.	Office Depot
Mobile phones and devices	Housing Services	07/06/2017	06/06/2020	£135,000	-£47,286	Awarded through framework. Contract is for £31,524/annum over 3 years. Estimated saving of £29238/annum against budget.	Telefonica UK ltd (O2)
Structural Engineer Consultant for WBC Group.	Development Services	01/04/2017	31/03/2022	£25,000	£0	Spend will be adhock according to need.	JNP Group Consulting Engineers Ltd
Contractor to dig and fill in hole.	Development Services	20/04/2017	31/08/2017	4,970	£0	Budget matched to quote.	D J Wilkinson
Amend Gallagher Estate design drawings to a	Development Services	02/05/2017	until completion	2,000	£0	Budget matched to quote.	Jubb Consulting Engineering

Description	Service Areas	From	To	Estimated Contract Value	Final contract value variance	Comment	Supplier
format suited to planning applications.							
Stray dog boarding	Health and Community Protection	01/04/2017	31/03/2020	15,000	£0	Spend will be adhoc according to need.	Dunsmore Kennels
Insurance claim system	Finance	01/07/2017	30/06/2019	6,200	£0	. Budget matched to quote.	J C Applications Development Ltd
CIVICA APP system & licences	Health and Community Protection	13/06/2017	12/06/2020	£93,000	£0	Supplier agreed to hold rate for a further 3 years.	Civica UK Ltd
Air Conditioning Maintenance for Hamilton Terrace	Health and Community Protection	01/01/2017	31/12/2017	£180	£0	No budget savings achieved. Budget matched to quote. However, this contract will be amalgamated into the main Air Conditioning contract (HP670J0213) in 2018, saving administrative costs.	Altiga
Project Manager for the delivery of District Heat Network feasibility	Health and Community Protection	01/05/2017	31/03/2018	£10,000	-£675	Quote completed with a winning contract of £9325, saving of £675 against budget.	Sustainability West Midlands
Specialised contractor to evaluate VCS contracts	Health and Community Protection	01/06/2017	01/04/2018	15,390	£0	Budget matched to quote.	Inspira Consulting
IT system for management of housing stock information	Housing Services	01/04/2017	31/03/2020	£255,000	£0	Budget matched to quote.	Mis Active Management Systems
Annual servicing, repairs and maintenance and upgrades of	Housing Services	01/05/2017	30/04/2020	£24,000	£0	Budget matched to quote.	JLA Ltd

Description	Service Areas	From	To	Estimated Contract Value	Final contract value variance	Comment	Supplier
housing communal laundry facilities at various sheltered schemes and accomodation.							
Recruitment of Temporary Staff Contract	Chief Executive Office	01/03/2017	29/02/2020	£3,600,000	£0	Budget matched to quote.	Comensura through Mstar
Provision of Electronic payment services & multiple network managed services	Neighbourhood Services	01/07/2017	30/06/2019	£116,000	-£56,345	Direct award through Direct Award through PFH Framework at £59,655 for 2 years. Contract Saving of £56,345 against budget.	allpay.net
Website technical support	Chief Executive Office	14/08/2017	14/08/2021	48,000	£0	No savings achieved. Budget matched to quote. However, the new contract combined 2 support contracts, reducing administrative time.	Jadu
Car Park Works to Covent Garden Car Park & St Peters Car Park	Neighbourhood Services	26/06/2017	02/10/2017	£181,488	£0	Budget matched to quote.	SEE Plc
Lift Survey and Maintenance consultancy	Chief Executive Office	01/04/2017	31/03/2018	15,550	£0	Budget matched to quote.	Elevate Consulting Ltd
Consultancy for review of the procurement function	Finance	14/06/2017	31/08/2017	12,338	£0	Budget matched to quote.	V4 Services
Provision to design and build a play area at Fieldgate Lane, Leamington Spa, CV31 2PB	Neighbourhood Services	26/06/2017	31/07/2017	69,756	£0	Budget matched to quote.	Kompan Limited
The provision of software and	Development Services	01/07/2017	30/06/2020	£250,000	-£60,050	£60,050 saved against previously budgeted	IDOX Group

Description	Service Areas	From	To	Estimated Contract Value	Final contract value variance	Comment	Supplier
updates to manage and administer planning submissions and building control to manage BC process.						amount.	
Equitrac print management and follow-me print software	Chief Executive Office	01/07/2017	30/06/2022	22,034	£0	Budget matched to quote.	Ricoh UK Ltd
Copiers and printers for Riverside House and satellite sites	Chief Executive Office	24/07/2017	23/07/2020	310,000	£0	Budget matched to quote.	Ricoh UK Ltd
Enterprise Agreement for WDC Desktop Microsoft Product Set	Chief Executive Office	01/02/2018	31/01/2021	£246,000	+£54,000	Price increase due to market movement. Contract awarded through framework at circa £300,000.	Phoenix Software Ltd
Provision of the Air Quality Annual Status Report	Health & Community Protection	26/05/2017	25/05/2018	5,000	-£1000	3 quote process undertaken to be compliant. Potential saving of £1000 against anticipated budget	Bureau Veritas UK Ltd
Provision to design and build a play area at Hawkes Meadow, Heathcote Lane, Warwick, CV34 6AF	Neighbourhood Services	10/07/2017	31/08/2017	70,000	£0	Budget matched to quote.	Proludic
MYTON FIELDS CAR PARKING AND LANDSCAPING	Chief Executive Office	30/07/2017	29/01/2018	£44,491	£0	Budget matched to quote.	Fira Landscape Limited

Description	Service Areas	From	To	Estimated Contract Value	Final contract value variance	Comment	Supplier
DESIGN CONSULTANT							
Rates and Re-evaluation Consultancy	Chief Executive	01/08/2017	31/07/2022	£10,000	£0	Spend will be adhoc according to need.	Lambert Smith Hampton Ltd
Passive Fire Safety	Chief Executive	05/03/2018	31/05/2018	£48000	£0	Spend will be adhoc according to need.	CLC
ICT Internal Audit	Finance	01/04/2018	31/03/2020	£87,000	+£47800	No budget savings achieved. Budget increased to match to quote. Increase usage of the service and inflation has resulted in an increase to the budget.	TIAA Ltd
Air Quality Data	Health & Community Protection	01/04/2017	31/03/2019	£7,186	£0	Budget matched to quote.	Staffordshire County Council
Vehicle hire of Toyota LCV Hilux for Rangers	Neighbourhood Services	01/06/2017	31/05/2019	£12,000	-£5161	By procuring through the ESPO vehicle framework portal, we were able to save obtain a lease for 2 years for a total cost of £6839, a saving of £5161 against a two year budget of £12000	Lookers Leasing
Impellus learning credits	Chief Executive	14/08/2017	13/08/2019	£17000	£0	Credits purchased in conjunction with RBC and NBBC to obtain discounted rate.	Impellus
Election printing of Ballot papers, postal vote packs and polling cards	Chief Executive	18/09/2017	17/09/2020	£800,434	-£39,566	The contract awarded was £39556 less than the original budget proposed. Actual savings will be dependent on final quantity's required at each election.	ERS

Description	Service Areas	From	To	Estimated Contract Value	Final contract value variance	Comment	Supplier
HR Transcription service for conversations involving 2 or more people.	Chief Executive	02/11/2017	02/11/2020	£6,000	£0	Spend will be adhoc according to need. No saving achieved against previous rate	Virtuoso Assistant
Newbold Comyn Walkway Marquee connecting changing block and main building.	Culture	20/09/2017	31/05/2018	£9,775	£0	Budget matched to quote.	Umbravilla Marquees Ltd
Spa Centre main house projector and lens	Culture	01/09/2017	31/10/2018	£6,955	£0	. Budget matched to quote.	Projector Point
Spa Centre new till system plus support	Culture	01/11/2017	31/10/2022	£24,300	£0	Budget matched to quote.	Point One
Regeneration Partner for Creative Quarter, Royal Leamington Spa	Development Services	06/11/2017	05/11/2027	£0	£0	This is a partnership arrangement and is cost neutral.	Complex Development Projects
Change partner to support change for move to new HQ	Chief Executive	21/11/2017	31/12/2020	£80,000	£0	Bid matched budget.	Advanced Workplace Associates
Supply and install play areas in The Holt, Ebourne Rec and Bates Memorial	Neighbourhood Services	09/10/2017	28/02/2018	£15000	-£12,783	By awarding to a single supplier for all 3 tendered Lots, a bulk buy saving of £12783 was achieved against the anticipated £150,000 budgeted.	HAGS SMP UK LTD
Valuation Consultancy	Chief Executive	01/11/2017	31/10/2022	£50,000	£0	Spend will be adhoc according to need.	Burton Knowles
Advice to public on energy sustainability	Health & Community Protection	01/04/2017	31/03/2018	5725	£0	. Budget matched to quote.	Act on Energy
Health & Safety	Housing	15/01/2018	14/01/2024	24999	£0	Spend will be adhoc	Banner Group Ltd

Description	Service Areas	From	To	Estimated Contract Value	Final contract value variance	Comment	Supplier
PPE, Safety & Workwear, Tools and Cleaning Supplies						according to need. Non-cashable savings made by ordering through the stationery electronic ordering system and having a consolidated invoice with the stationery orders	
Retail consultancy services, incl. single piece of work plus adhoc advice	Development Services	07/11/2017	06/11/2022	80000	£0	Budget matched to quote.	Carter Jonas LLP Consultants
Data Capture for Warwick District	Neighbourhood Services	01/04/2018	31/03/2019	49000	-£6,841	Through using the formal quotation process, the winning quote was £6,841 less than the amount budgeted for this project.	TEP
Stationary supplies, paper, office equipment	Chief Executive	15/01/2018	14/01/2022	10,000	£0	Spend will be adhoc according to need. Non-cashable savings made by combining the office paper contract with the stationery contract; ordering office paper through the stationery electronic ordering system; and having a consolidated invoice with the stationery orders.	Banner Group Ltd
Housing Allocation Service (HomeChoice) Software support and development	Housing	TBC	TBC	£127,000	-£24,200	Winning quote was for £102,800 for 2+2 years. Through using the tendering process, £24,200 less than the agreed budget for this project. Contract still in	Jade 2003 Ltd TA Emerald

Description	Service Areas	From	To	Estimated Contract Value	Final contract value variance	Comment	Supplier
						the pre-service contract stage. Still determining whether the service contract can go ahead.	
Provision of Heat Network Feasibility	Health & Community Protection	19/01/2018	31/03/2019	94200	- £19,162.50	The winning quote was for £75,037.50. Through using the tendering process, £19,162.50 less than the budgeted amount of £94,200.	Encraft
General Housing Repairs and VOIDS	Chief Executive	01/04/2018	31/06/2026	£20,000,000	£0	No available comparable in-house as SORs vs NSRs in order to establish if savings were made.	Axis
Fraud Investigation Services	Finance	06/02/2018	05/02/2023	£265,000	£0	This is a collaborative arrangement where we contribute to the salaries of 2 posts.	Oxford City Council
Service Provider for Leisure Services across Leisure Centres	Cultural Services	01/06/2017	31/03/2027	£7,673,471 income	£0	concession contract.	Sports and Leisure Management Ltd
WDC Gas supply	Chief Executive	01/04/2018	31/03/2019	£135000	-£35000	Awarded via ESPO framework. No savings anticipated due to gas prices currently being high. Anticipated spend is approx. £170,000	Total Gas & Power Limited
ICT desktop equipment (PCs, laptops, Tablets)	Chief Executive	01/04/2018	31/03/2020	£50,000	£0	Awarded via LINK 2 framework. Purchases are adhoc and spend will be kept within the budget set.	Dell
Stairlifts and hoists maintenance	Chief Executive	01/04/2018	31/03/2021	£82,500	£0	Awarded through ESPO framework. Option to extend by 1+1+1+1 years. Budget is for	Stannah

Description	Service Areas	From	To	Estimated Contract Value	Final contract value variance	Comment	Supplier
						£10500/annum for servicing and £17000/annum for maintenance	
Calligraphy services for Book of Remembrance	Neighbourhood Services	22/01/18	21/01/22	£48,000	-£18656	Contract awarded at £29344 for period until end March 2022	FG Marshall
WDC lift maintenance (corporate and housing stock)	Chief Executive	01/04/2018 (01/05/2018 – Housing stock)	31/03/2021	£510,000	£0	Contract awarded through EMM framework. Delayed start for Housing stock due to Tenants consultation period.	Stannah
Network Infrastructure & Telephony support and maintenance including the design of new, modified or enhanced services which rely on the network or telephony for their delivery.	Chief Executive	01/04/2018	31/03/2021	£175,000	+£85,000	Contract awarded through CCS framework. Contract awarded at £260,000.	European Electronique
Total Assumed Savings During the Period ( excluding Sports and Leisure Management Ltd) <b>£257,576</b>							

## Part Two - Live Tendering Opportunities

Description	Budgeted Total Contract Value	Procurement Process Route	Projected date for award	Service Area
Washroom supplies contract	£20,000/annum	Framework	September 2017	Cultural Services
VCS contracts x 4	£3,000,000	Light Touch Low value tenders	April 2018	Health & Community Protection
Play areas x 3 - Mason Avenue, Saltisford common and Kennedy Square	£110,000	Low value tender	April 2018	Neighbourhood Services
Spa Centre Speaker system	£70,000	Low value tender	April 2018	Culture
Play area at Newbold comyn arms	£50,000	Low value tender	April 2018	Neighbourhood Services
Occupational Health service	£25000	RFQ	April 2018	Chief Exec
Corporate water supply	TBC	Framework	April 2018	Chief Exec
Roof Repairs	TBC	Creating a WDC framework	August 2018	Chief Exec
Painting and Decorating	TBC	Framework mini comp	April 2018	Chief Exec
Photography	TBC	RFQ	March 2018	Development Services
Biomass supplies	TBC	DPS framework	March 2018	Chief Exec
Pump Rooms Gardens Contractor Ground works	700,000	Low value Tender	March 2018	Neighbourhood Services
Pump Rooms Gardens Bandstand	80,000	Low value Tender	March 2018	Neighbourhood Services

## Part three - Planned Tender Exercises

Description	Procurement Process Route	Projected date for award	Service Area
Pumping Stations Maintenance	Below OJEU tender	Dec 2018	Chief Executive
Energy Broker Services	Framework Mini competition	February 2019	Chief Executive
Bereavement Software	Formal Quotation	TBD	Neighbourhood Services
Maintenance of Cremators	Framework Mini competition	March 2018	Neighbourhood Services
Covent Gardens Demolition		Dec 2018	Developmental Services
HQ development	OJEU tender	Dec 2018	Developmental Services
Emergency Accommodation	DPS	Dec 2018	Housing
Car Park machines	Framework Mini competition	Aug 2018	Neighbourhood Services
Temporary car parking	Utilise existing contracts plus frameworks	May 2018	Neighbourhood Services

<b>Description</b>	<b>Procurement Process Route</b>	<b>Projected date for award</b>	<b>Service Area</b>
Leisure Centre Phase 2	OJEU Tender	2018/2019	Culture
Refuse collections and recycling	TBD	2018/19/20	Neighbourhood Services
Europa way stadium	OJEU Tender	2018/2019	Developmental Services
Country Park project	TBD	2018/19/20	Neighbourhood Services
Painting and Decorating	OJEU Tender	April 2019	Chief Exec
Business Continuity Services (ICT)	Framework	Nov 2018	Chief Exec
Datacenter Support Contract	Framework Mini competition	Jan 2019	Chief Exec

## APPENDIX THREE B

### Summary of Contracts Register for live contracts/agreements with a total value £5,000 or above

Service Area	Number of Contracts/Agreements £5k - £24,999.99 (incl. concessions and Nil value)	Number of Contracts/Agreements £25k - £49,999.99	Number of Contracts/Agreements £50k or above	Total Number of Contracts/Agreements lodged in DMC (Deed Store) or electronically	Total Number of Contracts/Agreements
Chief Executive	21	14	42	70	77
Cultural Services	10	3	6	16	19
Development Services	11	3	8	18	22
Finance	7	1	6	12	14
Health and Community Protection	15	3	12	27	30
Housing Services	6	4	9	14	19
Neighbourhood Services	7	4	18	27	29
<b>TOTALS</b>	<b>77</b>	<b>32</b>	<b>101</b>	<b>184</b>	<b>210</b>

### Reasons why Contracts/Agreements not lodged in DMC or stored electronically

Service Area	Total Number of Contracts NOT lodged in DMC (Deed Store) or electronically	
Chief Executive		<p>Johnston Press (Courier) – no written contract, just an agreed rate. There is no commitment to an agreed spend, purchases are made on an adhoc basis dependent on requirements. Appears on the register due to the current level of annual spend.</p> <p>Vodafone – This relates to individual broadband connections with an individual annual spend of circa £300.00. However, the multiple individual contracts add up to a level of aggregated spend that needs to appear on the register. ICT are actively seeking to bring these under the CCS RM1045 framework agreement.</p> <p>Office Depot – No contract in deed store, as a signed copy of the contract has never been provided by Office Depot, despite chasing on numerous occasions. Have stopped using due to issues with them not supplying contract. Left on as contract in principle due to usage in 2017</p>

Service Area	Total Number of Contracts NOT lodged in DMC (Deed Store) or electronically	
Cultural Services		Mack trading – culture believes they put it into the deed store, though CST can't find it.

Service Area	Total Number of Contracts NOT lodged in DMC (Deed Store) or electronically	
Development		Rhodes Rural Planning and Land Management, Jones Laing Lasalle, 4-5 Grays Inn Square (Tim Leader) – due to spend levels, a procurement process for a formal contract has been requested.

Services		
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Service Area	Total Number of Contracts NOT lodged in DMC (Deed Store) or electronically	
Finance		Intend – contract held by Solihull MBC on behalf of CSW shared service who procured the contract.

Service Area	Total Number of Contracts NOT lodged in DMC (Deed Store) or electronically	
Health and Community Protection		Staffordshire county council – going out to competition as other providers available. Riding Establishments VET Services – been retendered. New contract being awarded. LRF – SLA being revisited to incorporate GDPR which will result in an updated copy for storage Satellite phone contract – legacy contract, being investigated for need

Service Area	Total Number of Contracts NOT lodged in DMC (Deed Store) or electronically	
Housing and Property Services		Hancock Wheeldon + Ascough and Godfrey Payton – both legacy contracts being reprocured 2018

Service Area	Total Number	
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	<b>of Contracts NOT lodged in DMC (Deed Store) or electronically</b>	
Neighbourhood Services		Metric Group – being replaced by procurement through ESPO framework 2018

## APPENDIX FOUR

### KEY PERFORMANCE INDICATORS - 01/04/17 – 31/03/18

% of total non-pay spend channelled through collaborative arrangements with other buying organisations	<b>30%</b>
% Percentage of suppliers located within Warwick District registered on CSWJETS	<b>7.15%</b>
Number of local suppliers actively registered on CSWJETS E Portal	<b>887</b>
Number of employees successfully completing in house training	<b>35</b>
Number of formal legal challenges received and upheld against the total number of tenders	<b>0</b>
% Private Sector suppliers with a formal contract agreement	<b>90.5%</b>
Number of contracts awarded to SMEs	<b>13</b>
Proportion of goods ,works or services covered by contractual arrangements for each Service team:	
Chief Executive	81/232
Cultural Services	20/232
Finance	17/232
Neighbourhood Services	30/232
Health and Community Protection	39/232
Development Services	25/232
Housing	20/232
Number of contracts where a local/SME supplier submits a tender	<b>Local = 2/SME = 22</b>
Number of Approved Exemptions below £20k	<b>9</b>
Number of Approved Exemptions above £25k	<b>9</b>
Number of contracts with a Total Value exceeding £1m that include a social value clause	<b>1</b>
Number of Contracts terminated early	<b>1</b>

## Appendix Five



What does good  
procurement look like.

### Warwick District Council's Progress towards National Procurement Strategy

Theme A: Savings	
Recommendations for District Councils	Warwick District Council's Progress
Review existing framework arrangements at early stages of procurement to reduce duplicated effort.	Framework agreements used wherever possible to reduce time and effort, subject to VFM. Consideration of framework arrangements
Recognise the benefits from engaging with a national approach and ensure timely publication of data to ensure a robust analysis can take place	The Council's contract register has been updated and is now comprehensive to enable WDC to take an early view of upcoming procurements to determine which approach (national. Regional or local) may be the most appropriate for any particular requirement. In addition the Annual Procurement Plan has been established and published which provides greater visibility of forthcoming procurement activity.
Set out their approach to partnering and collaboration in their corporate procurement strategy	Collaboration is a key consideration for each significant procurement and the existence of the shared procurement service demonstrates our commitment to this. The new strategy also has partnering and collaboration as a theme. A number of joint procurements with partners
Set targets for savings or income generation from collaborative spend	Collaborative opportunities will be considered for all procurements as appropriate; setting a target for savings from such opportunities may detract from obtaining an optimum saving
Consider the business case for new models of delivering procurement services	The Council is open minded about options for delivering procurement services and will continue to explore these with other organisations. The shared service model has worked to date but continues to evolve based on the requirements and organisational changes of the partner authorities. There may be other opportunities for sharing with like-minded partners.

Integrate contract management within the council's procurement models	We have launched a comprehensive Contract Management Framework which seeks to embed good practice. This will improve contract management and an associated drive to introduce commercial awareness should result in efficiencies from better Contract management.
Demonstrate efficiency savings through better contract management	A register of formal contracts (and on-going procurement requirements) is produced (and reviewed on a monthly basis ) to provide a comprehensive overview of the Council's position. It is used to ensure that procurement arrangements are aggregated most effectively (either at a corporate or wider public sector level), that correct procedures are used when contracts are let and that renewal happens on a timely basis (identifying resources required at an early stage).
Councils monitor and enforce internal compliance to 'on contract spend'	Work undertaken by procurement has identified a number of instances of 'off-contract' spend. Work is on-going to review the reasons for this to improve 'on-contract' spend levels.
Understand key suppliers and develop and implement performance indicators that are aligned with business outcomes	Key suppliers are known – need to gain understanding of contracts
Identify second tier spend and activity for high value/high risk contracts	Whilst the Council is aware of who key sub-contractors are in its high value/high risk contracts the Council does not currently routinely collect second tier spend and activity information. This needs to be introduced over time.
Develop and agree exit strategies within all major contracts	Exit strategies, transition plans and mobilisation strategies are routinely considered as part of the procurement planning process and contracting procedures.
Expect main contractors to act fairly with supply chains and mandate timely payment to subcontractors through contract clauses	The inclusion of social value clauses within contracts and effective contract management will address these areas. Public Contracts Regs 2015 require 30 day payment from contractors to subcontractors. Currently being built into terms and conditions of contract
Insist on transparency throughout the supply chain	This issue needs to be addressed through contract management and also via ensuring appropriate provisions are incorporated in contracts.
Publish data in relation to contracted-out services in	Data is published in accordance with the Transparency Code.

accordance with the Transparency Code	
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<p><b>Theme B: Supporting Local Economies</b></p> <p><b>1. Economic, Environmental and Social Value</b></p> <p>Councils gain maximum value from procurement through inclusion of economic, environmental and social value criteria in contracts for good/services and works</p> <p>Councils reduce waste by making sustainable choices when procuring products and services - helping them to cut costs, and meet their social, economic and environmental objectives.</p>
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Ensure the rights to the data created as a result of a service being contracted out remains with the council.	This is covered within individual contract terms and conditions. Information governance has been reviewed recently to ensure that appropriate clauses are contained within contracts to protect sensitive data .
Extend the requirement to publish information on performance and costs to contractors	Needs to be addressed
Require main contractors to mirror these policies in their subcontracting arrangements	This issue will be picked up as appropriate as part of a review of Contractual Terms and Conditions currently on-going.

<b>Recommendations for District Councils</b>	<b>Warwick District Council's Progress</b>
Social value opportunities in all tenders, including those below the EU thresholds and for goods where appropriate.	WDC has a toolkit to help officers and a sustainable procurement policy which requires sustainability (including social value) to be considered in all tenders.
Bidders are requested to demonstrate community benefits through the whole supply chain	Social value requirements are being embedded into the Councils procurement processes at the first tier supplier level.
Consider and describe how the economic, social and environmental well-being of communities can be improved	Social value requirements are being embedded into the Councils procurement processes at the first tier supplier level.
Take account of the powers in the EU regulations that encourage use of mutuals, Social Enterprises and supported factories	Where appropriate WDC will make use of the powers provided in the revised EU Regulations once enacted.
Build in sustainability into the whole procurement cycle	Sustainability is built into the life of contracts as part of the overall VFM equation.
Social, Economic, Environmental assessments are undertaken for each procurement project	This is carried out for all above EU procurements
Consider ethical issues, including fair pay, zero hours contracts, child labour and animal testing throughout the supply chain	These issues are considered on a case by case basis
<b>2. Improving Access for SMEs and VCSEs</b> <ul style="list-style-type: none"> <li>• A wide range of suppliers are encouraged to do business with councils through use of Portals to advertise tender opportunities</li> <li>• Barriers to doing business with the council are removed without compromising due process</li> <li>• SME's and VCSE's are able to identify potential 'partners' with whom to form consortia to bid for council contracts</li> <li>• Councils identify forward spend wherever possible and use this data to inform pre-market engagement and supplier planning</li> </ul>	
Identify all procurement opportunities through local or regional portals and national portals where appropriate	The Council's procurement opportunities are advertised on our E Portal CSWJETS
Ensure websites make it clear which portals are being used to advertise tender opportunities suppliers can register	See above
Ensure procurement processes are not overly-rigid, cut off from day to day service provision or contain disproportionate requirements (e.g. insurance levels)	Through meet the buyer and pre market engagement events, as well as through monitoring of responses procurement processes are reviewed to ensure they do not contain disproportionate requirements. In addition Contract procedure Rules are regularly reviewed to ensure that processes are streamlined and encourage SMEs.
Require prime contractors to report any failure to comply	New Regs 2015 mandate this and are implied even if not explicit in ts and cs.

with payment terms and mandate payment by suppliers to their subcontractors be no greater than those in the primary contract, through contract clauses.	Need to review contract management arrangements though.
Engage with single simplified PQQs such as PAS91 for construction	Already implemented. New procedures for supplies and services mean that tenders will not be required sub OJEU and over OJEU will be a simplified PQQ
Learn from and engage with the supply base and other councils on a regional basis through market days for future projects	WDC regularly uses market days or market sounding to help shape future procurements.
Ensure that lotting strategies do not create unwanted barriers for smaller businesses.	Lotting is considered as part of the development of the individual procurement strategies (pre-procurement).
Engage in proactive pre-market engagement with the supplier base and through the commissioning process with users and advocates	WDC holds pre-market engagement with suppliers and through the commissioning process.
Allow sufficient time in the procurement process for suppliers to form consortia	Where considered appropriate this is built in to procurement processes.
Make suppliers aware of trading opportunities and secure their input and expertise	<p>The Council's procurement opportunities are advertised on our E Portal CSWJETS and meet the buyer events and pre market engagement is undertaken to ensure that our procurements obtain suppliers input and expertise.</p> <p>Opportunities are also advertised through the WDC twitter account and tagged to be picked up by a national procurement twitter account.</p>

**Theme C: Leadership**  
**Commitment from the top**

- Procurement is recognised as strategically important by chief executives, members and senior officers within local authorities
- Procurement is supported in each authority through the appointment of a councillor champion
- Best overall value has been considered in all council's addressable third party spend
- Procurement is a driver to implement council policy

<b>Recommendations for District Councils</b>	<b>Warwick District Council's Progress</b>
Ensure there is a strategic alignment of procurement with Finance Director/s151 Officer and Chief Executive Team	Procurement is strategically aligned with the work of the s151 officer and works alongside Senior Management colleagues.
Provide periodic updates to senior managers and elected members on implementation of good practice	Regular updates are provided to Chief Executive Team, Council steering groups and board members on procurement matters. In addition regular reports are provided to Committees as appropriate .
Procurement professionals influence all third party spend	Procurement is not centralised at WDC and therefore an element of spend is devolved. Much of the spend is influenced by the team but it is not possible to state that all spend is.
Procurement professionals work closely with their colleagues to ensure best possible outcomes are achieved	See above
The procurement strategy underpins the corporate strategy and a commitment to achieving the wider corporate objectives of the council is demonstrated	The Procurement Strategy fully supports the wider corporate objectives of the Council.
<b>Commissioning</b>	
<ul style="list-style-type: none"> <li>Councils identify strategic outcomes in relation to assessed user needs, and design and secure appropriate services to deliver these outcomes</li> <li>Councils better understand and manage demand through the commissioning process to better target services efficiently and effectively</li> </ul>	
<b>Recommendations for District Councils</b>	<b>Warwick District Council's Progress</b>
Procurement and Commissioning staff work together to ensure best outcomes for service users	Procurement works closely with strategic commissioners to ensure that service delivery models are fully researched and appraised prior to procurements.
<b>Procurement Training</b>	
<ul style="list-style-type: none"> <li>Councils build better procurement competencies across the organisation by ensuring staff are equipped with the knowledge, training, and practical skills needed to derive maximum benefit from procurement practices.</li> <li>Councils are more influential with suppliers through taking a more commercial approach to procurement</li> <li>Council officers understand and implement the flexibilities afforded by the new EU Procurement Directives</li> </ul>	

<b>Recommendations for District Councils</b>	<b>Warwick District Council's Progress</b>
Invest in their officers having the professional, leadership and interpersonal skills required to deliver council objectives through better procurement.	The majority of staff in procurement are either full members of CIPS or working towards that. The team also attend conferences and seminars on a limited basis where appropriate to keep up with current professional practice. Other skills are important too and training has also been provided on negotiation,, project management and presentation skills.
Implement a development programme which takes into account the new context and models for good procurement	As above. In addition a procurement training plan has been developed to roll out to the wider organisation.
Invest in developing commercial skills including costs and profit, the market and service quality, relationship building and renegotiation skills	A number of staff in procurement have undertaken formal procurement training which includes commercial skills development as part of the course. Further work needs to be undertaken to ensure all appropriate staff have these skills.
Cascade training where appropriate across the council and to districts	Training continues to be delivered. This has been supplemented by holding 'procurement surgeries' to assist with issues staff in Services may be experiencing difficulties with. Web based bite size training is almost in development to allow self-serve training and an interactive web based form is being developed to assist staff in being directed to the correct procurement paths to use.

<b>Theme D: Modernisation</b> <b>Supplier innovation</b> Suppliers are able demonstrate innovation through all stages of the procurement cycle.	
<b>Recommendations for District Councils</b>	<b>Warwick District Council's Progress</b>
Use early market engagement, and set out well-structured procurement processes, to allow for innovative approaches to be put forward	WDC uses market days and market sounding where appropriate to seek innovation from suppliers.
Harness and proactively encourage supplier innovation	This is achieved through the process outlined above together with discussions with incumbent suppliers on improved ways of delivering services throughout the contract life.

Ensure terms and conditions are flexible enough to allow for changes in technology during the life of the procurement	Flexibility is currently provided in terms and conditions through variation clauses, however this will be reviewed further.
Use outcome-based specifications that include the minimum technical and performance requirements and focus on a statement of the problem that needs to be solved	Outcomes based tenders are used on a consistent basis and payment by results as appropriate.
<b>Using technology</b>  Councils increase efficiency and productivity and realise full benefits through the use of appropriate e-procurement solutions in procurement processes Use of e-invoicing helps councils and suppliers streamline administrative processes and improves supplier liquidity	
Use electronic means for tendering processes in line with EU Directives	The Council's uses the E Portal CSWJETS
<b>EU Directives</b> Council procurement process are quicker, simpler and less costly to run through use of the new EU Procurement directives	
Cascade training to council officers and elected members outside of the 'procurement team'	A training programme and procurement 'surgeries' are planned to cascade training outside of the procurement team.
Councils maximise the flexibilities afforded to them in the new EU Directives	The Procurement team seek to maximise the flexibilities contained within them, particularly around timescales and new procedures

### What does good procurement look like?

The "National Procurement Strategy for Local Government" makes a series of recommendations to local authorities under 4 broad headings as listed below.

The National Procurement Strategy is overseen by the LGA's "National Advisory Group", a representative body of local government procurement professionals from across the country. The Head of Procurement at LGSS, Paul White, is a member of this National Advisory Group and can provide MKC with a strong link into the latest developments and thinking on good practice emerging from that group.

The National Advisory Group are also developing supporting activity for councils under a number of key themes, many of which are relevant to driving the required improvements at MKC, including the use of Social Value, improving Skills and Capability, understanding

Spend and developing sector-wide Category Management. A self-assessment tool is also being developed to enable authorities to bench-mark themselves against the recommendations and against other similar councils.

#### 1 Making Savings

☐ Councils are dealing with significant financial pressures resulting from reductions in government funding and rising demand. They need to make savings. This means using spending power wisely and strategically and setting targets for procurement and contract management by the effective use of:

☐ Category management in key areas of spend – like energy, ICT and construction – to make savings by maximising the value of spend. This includes developing and using more standard specifications for appropriate goods and services. Spend and supplier analyses provide a broad understanding of the local government supply market.

☐ Partnering and collaboration. By aggregating spend through effective collaboration or by sharing services on common goods and services without compromising the need for social value. Shared procurement services and shared procurement posts should allow all councils to recruit, develop and retain the best procurement resource and avoid unnecessary competition between individual councils for procurement expertise.

☐ A corporate approach to contract management. Councils should demonstrate their effectiveness in gaining most value from contracts. They should obtain best value from supply chains through proper relationship management.

☐ Implementing effective performance monitoring and transparency. This includes sharing commercial and performance data on common goods and services. Councils should ensure that published data, under the transparency code opens new markets for local business, the voluntary and community sectors, and social enterprises to run services or manage public assets.

☐ Having an appropriate approach to risk management that is integral to the council's corporate processes. Identifying and reducing fraudulent procurement practices in pre contract and post contract award and through the supply chain.

☐ Finding alternative ways to meet user needs through Demand management Reducing costs and oversupply within the procurement and commissioning cycle.

#### 2 Supporting Local Economies

Councils need to maximise the economic, social and environmental benefits to communities from every pound that is spent, and we believe that spend with SMEs and VCSEs can make a very significant contribution to local economic growth. This includes Social Value Act duties. Councils can do more to remove barriers faced by SME's and VCSE's bidding for council contracts such as by:

☐ Inclusion of economic, environmental and social value criteria in all contracts. Councils should be reducing waste by making sustainable choices when procuring products and services – helping them to cut costs, and meet their social, economic and environmental objectives.

☐ Improving access for SME's and VCSE's. Councils should ensure a wide range of suppliers are encouraged to do business with them through use of portals to advertise tender opportunities. Barriers to doing business with the council removed without compromising due process. SME's and VCSE's are encouraged to identify potential 'partners' with whom to form consortia to bid for council contracts. Councils should identify forward spend wherever possible and use this data to inform pre-market engagement and supplier planning.

### **3 Leadership**

To be able to deliver, local government procurement needs to demonstrate leadership to increase its impact and influence across the public sector, councils need to:

- ☐ Speak clearly with a single cohesive voice to ensure Central Government policy takes into account the needs and differences of local government.
- ☐ Signal commitment from the top in each council and recognise the strategic importance of procurement. Procurement should be supported in each authority through the appointment of a councillor champion. Procurement should be seen as a driver to implement council policy.
- ☐ Seeing procurement as part of a strategic commissioning cycle. Delivery of this strategy requires stronger engagement and alignment of procurement with commissioners. Councils should identify strategic outcomes in relation to assessed user needs, and design and secure appropriate services to deliver these outcomes.
- ☐ Developing a more commercially-focused procurement culture. Councils should build better procurement competencies across the organisation by ensuring staff are equipped with the knowledge, training, and practical skills needed to derive maximum benefit from procurement practices. Councils will then be more influential with suppliers through taking a more commercial approach to procurement.

### **4 Modernising Procurement**

To rise to the challenge local government procurement needs to modernise in terms of scope, use of technology and practices and procedures by ensuring that:

- ☐ Procurement helps councils respond to financial pressures through commercialisation and income generation. Councils' procurement staff are more commercially minded, and understand and realise benefits from all funding streams including how contracts can be developed to generate income.
- ☐ Using outcome specifications and other methods to encourage supplier innovation to meet new challenges, including encouraging suppliers to demonstrate innovation through all stages of the procurement cycle.
- ☐ Adopting e-procurement to increase efficiency and productivity and realise full benefits through the use of appropriate e-procurement solutions in procurement processes. In particular councils should consider how e-invoicing will help them and their suppliers to streamline administrative processes and improve supplier liquidity.
- ☐ Taking advantage of the opportunities presented by the new EU directives which will allow council procurement processes to be quicker, simpler and less costly to run.

## APPENDIX 6

### (Contract Exemptions Permitted: 1 April 2017 – 31 March 2018)

Title	Start Date	End Date	Supplier	Total Contract Value	Extension Variation Value	Service Team	Reasons for exemption
Web and E-mail Content Filtering Systems (Clearswift)	30/04/17	29/04/20	Foursys Ltd	£37,100	N/A	ICT	Exemption from formal quotation based on 6.5.1
CIVICA license and support for HCP, NS and Housing	13/06/17	12/06/20	Civica UK Ltd	£403,000	£93,000	Health and Community Protection	Exemption under 6.5.1 to allow review process with procurement
Intend procurement system	01/09/17	31/08/22	In-Tend	£10,000	N/A	Finance	Exemption from formal quotation based on 6.5.1
TOTAL system with Totalmobile Ltd	01/05/18	31/04/21	Totalmobile	£181,200	£67,950	Finance	Exemption under 6.5.1 to allow review process with procurement
Parking meters support contract	01/08/17	31/07/18	Metric Group	£119,151	£13,239	Neighbourhood Services	Exemption under 6.5.3 and 6.5.4
Valuation consultancy for 94-96 Parade	01/08/17	31/08/17	Lambert Smith Hampton Ltd	£6200	N/A	Development Services	Exemption under 6.5.8
CAPITA payment system	01/07/18	30/06/21	CAPITA	£1,096,782	£303832.95	Neighbourhood Services	Exemption under 6.5.1 to allow review process with procurement
Mace Consultancy for Leisure Centre Development 2017	01/05/2015	On completion of the project	Mace Ltd	£633,675	£5000	Culture	Exemption under 6.5.1 supply of goods/services required for interim period.

Foursys Ltd provision of Sophos Software licence	30/04/2017	29/04/2021	Chess CyberSecurity (formerly Foursys Ltd)	£31600	£31600	Chief Executive	Exemption under 6.5.1
GGP mapping system connected to IDOX	01/04/2013	30/06/2022	GGP Systems	£344,685	£30,000	Chief Executive	Exemption under 6.5.1
CIVICA for CTax and Benefits	21/10/2003	30/06/2022	CIVICA	£1,136,200	£399,000	Finance	Exemption under 6.5.1 to allow review process with procurement
Impellus training credits	14/8/2017	13/8/2019	Impellus	£17,000	£17,000	Chief Executive	Exemption under 6.5.8
CAM Specialist Support Inspection of flats	03/12/2017	31/03/2018	CAM Specialist support Ltd	£11,625	£11,625	Chief Executive	Exemption under 6.5.8
Althorpe Security guards	12/01/18	27/02/2018	WCS Group Ltd	£9,500	£9,500	Developmental Services	Exemption under 6.5.8
Althorpe Security system	12/01/18	11/01/2028	Justice Security System	£13,002	£13,002	Developmental Services	Exemption under 6.5.8
Electronic Schedule of Rates	17/01/2018	18/01/2022	NRS Management Ltd	£8470	£8470	Chief Executive	Exemption under 6.5.3
Fuel Poverty	01/04/2017	16/09/2019	Act on energy	£11450	£5725	Health and Community Safety	Exemption under 6.5.8
Technical Apprentice – Level 3 + 2 others	01/04/2018	31/08/2019	Creative alliance	£9000	£9000	Chief Executive	Exemption under 6.5.8
Golf Course Maintenance	01/01/2018	31/12/2019	Warwick Golf Centre Limited	£58000	£58000	Culture	Exemption under 6.5.8

Housing software	01/04/2018	31/2021	Locata Housing Services	£24000	£24000	Housing	Exemption under 6.5.8
ADT Maintenance	01/09/2012	31/03/2020	ADT	£408,000	£136, 000.00	Health and Community Safety	Exemption under 6.4.5, 6.4.6 and 6.4.7

## EXEMPTIONS TO CODE OF PROCUREMENT PRACTICE

### 6.1 Exemption to Code of Procurement Practice Rules

- An exemption to the Code of Procurement Practice Rules is a permission to let a contract without complying with one or more of the Rules. An exemption to Rules for Contracts may be granted subject to conditions. **An exemption cannot be granted where a breach of any UK or EU legislation would be incurred.**
- An application for an exemption to Rules for Contracts to allow a contract to be let without genuine competition will not be granted without a cogent reason. A lack of time caused by inadequate forward planning is not a cogent reason and will not permit an exemption to Rules for Contracts. If an application is granted, the head of service responsible for the contract must demonstrate that the price obtained is not in excess of the market price and that the contract represents best value for money.

### 6.2 Authorising Exemptions

- An Exemption request form must be completed for every instance of an exemption. The template must clearly document the exemption to be applied, along with the justifications and all necessary procurement, legal and financial risks.
- Where the total contract value is up to £20,000, the Head of Finance may agree the exemption with the exemption retrospectively reported to the Executive.
- Where the total contract value is £20,000 and above. The Exemption request form must be completed by the Sponsoring Manager and agreed by the Procurement Manager and Executive, prior to any work being carried out.
- Exemptions under paragraph 6.5 need to be agreed by the Head of Service and the Procurement Manager.

### 6.3 Exemptions **requiring** approval by Executive (**after** work is carried out):

Goods, Services or Works procured in an emergency because of a need to respond to events that were beyond the control of the Council (e.g. natural disasters such as flooding or fires or circumstances likely to involve risk of injury, or danger to health or life to or destruction of property. Any contract entered into by the Council must not be for a term longer than **6 months** .For E.U. contracts, the urgency must be unforeseen and not attributable to the actions of the Council.

6.4 Exemptions **requiring** approval by Executive ( **prior** to work is carried out):

- 6.4.1 The supply of goods and / or services is required for an interim period (**no longer than 12 months**) to enable the alignment of contract dates with a public sector partner, and where to do so enables a collaborative procurement to be completed which, it can reasonably be anticipated, will deliver savings
- 6.4.2 Where additional works or services are required which were not included in the original contract and which either are strictly necessary for the completion of the contract or, for technical or economic reasons, cannot be carried out separately without great inconvenience. For E.U. contracts, the urgency must be unforeseen and not exceed 50% of the total value of the original contract attributable to the Council.
- 6.4.3 Where new works or services are required which are a repetition of works or services carried out under the original contract. For E U contracts, the new works or services must be required within 3 years of the original contract, and the contract notice must have stated that a new contract might be awarded by negotiation.
- 6.4.4 Where goods are required to partially replace or add to existing goods or installations, and obtaining them from another contractor would result incompatibility or disproportionate technical difficulties in operation or maintenance.


6.5 Exemptions **not** requiring approval by Executive are:

- 6.5.1 Renewal of software licenses or other IT commodity items where the supply is restricted to either the original supplier or their selected re-sellers, and competition does not affect the price paid owing to way the market operates and/or the need for compatibility.
- 6.5.2 Memberships, publications and subscriptions that are only available to purchase from a single organisation e.g. membership of a housing advisory organisation.
- 6.5.3 In a single source situation where we are restricted to using a particular supplier.
- 6.5.4 A situation where you need to go to the original equipment manufacturer (OEM)

- 6.5.5 Where using an alternative supplier will invalidate warranties.
- 6.5.6 Where it is agreed that an external provider uses our facilities to provide a service i.e. stage performance and as part of providing this service agree to pay the council a commission.
- 6.5.7 The Council has followed the procedures but the process has not resulted in a suitable supplier being engaged due to reasons beyond officers' normal control and defined responsibility resulting in an interim supplier being appointed to ensure continuity of service while the procurement process is reviewed.
- 6.5.8 If there are exceptional circumstances in which it would not be in the Council's best interests to follow the tender or quotation procedure or another Rule for Contract;
- 6.5.9 When the current contracted supplier goes into liquidation and time limited short term emergency measures need to be put in place to maintain services until a new tendering exercise has been completed.
- 6.5.10 Grants, payments to parish councils or similar bodies (where the Council is body responsible for collection of funds via council tax), payments to BID's (Business Improvement Districts, where the Council is the body responsible for collection of funds via business rates), staff salaries and any statutory taxes are not covered by this code as they are not considered to be the procurement of goods, works or services.

## Appendix 7: Procurement Tweets

Tweet	Retweets	Likes	Link Clicks
We are seeking to procure a new supplier to deliver the Warwick Victorian Evening. Further info on the CSW Jets site - <a href="#">link</a>	7	2	25
We are seeking to procure a company to design & build play areas at 3 of our local parks. More info here - <a href="#">link</a>	4	1	24
Want to do business with us? We have a number of procurement opportunities available - <a href="#">link</a>	6	3	31
@InvestWarks we are seeking a change partner/consultant to assist in our transition to the new HQ	2	0	8
We are looking for a software supplier to provide our Homechoice bidding system. More info at <a href="#">link</a>	3	1	19
We have a number of procurement opportunities available including the Housing & Void Repairs contract. More info at <a href="#">link</a>			

	<b>FINANCE &amp; AUDIT SCRUTINY COMMITTEE 4<sup>th</sup> April 2018</b>	<b>Agenda Item No.  5</b>
<b>Title: Review of Contracts Register</b>		
<b>For further information about this report please contact</b>	Marianne Rolfe Head of Health & Community Protection 01926 456700 <a href="mailto:Marianne.rolfe@warwickdc.gov.uk">Marianne.rolfe@warwickdc.gov.uk</a>	
<b>Wards of the District directly affected</b>	N/a	
<b>Is the report private and confidential and not for publication by virtue of a paragraph of schedule 12A of the Local Government Act 1972, following the Local Government (Access to Information) (Variation) Order 2006?</b>	No	
<b>Date and meeting when issue was last considered and relevant minute number</b>	n/a	
<b>Background Papers</b>	Nil	

<b>Contrary to the policy framework:</b>	No
<b>Contrary to the budgetary framework:</b>	No
<b>Key Decision?</b>	No
<b>Included within the Forward Plan? (If yes include reference number)</b>	No
<b>Equality and Sustainability Impact Assessment Undertaken</b>	NO

Officer/Councillor Approval		
Officer Approval	Date	Name
Chief Executive/Deputy Chief Executive	12/03/18	Andrew Jones
Head of Service	12/03/18	Marianne Rolfe
CMT	12/03/18	Andrew Jones
Section 151 Officer		Mike Snow
Monitoring Officer	12/03/18	Andrew Jones
Finance		Mike Snow
Portfolio Holder(s)		Councillor Andrew Thompson
Consultation & Community Engagement		
Final Decision?		No
Suggested next steps (if not final decision please set out below)		

## 1. SUMMARY

- 1.1 This report sets out the process for the review by Finance & Audit Scrutiny Committee of the Head of Health and Community Protection's Contracts Register.

## 2. RECOMMENDATION

- 2.1 That Finance & Audit Scrutiny Committee should review the Head of Health and Community Protection's Contract Register attached at Appendix 1 and make observations on it as appropriate.

## 3. REASONS FOR THE RECOMMENDATION

- 3.1 The review of Head of Health and Community Protection's Contract Register allows members of the Finance and Audit Scrutiny Committee the opportunity to consider the robustness of the register, make appropriate suggestions on how the register could be improved, and consider the document within the context of promoting sound procurement practice across the Council.

## 4. POLICY FRAMEWORK

### 4.1 Fit for the Future (FFF)

The Council's FFF Strategy is designed to deliver the Vision for the District of making it a Great Place to Live, Work and Visit. To that end amongst other things the FFF Strategy contains several Key projects.

The FFF Strategy has 3 strands – People, Services and Money and each has an external and internal element to it. The table below illustrates the impact of this proposal if any in relation to the Council's FFF Strategy.

FFF Strands		
People	Services	Money
External		
Health, Homes, Communities	Green, Clean, Safe	Infrastructure, Enterprise, Employment
<u>Intended outcomes:</u> <ul style="list-style-type: none"><li>Improved health for all</li><li>Housing needs for all met</li><li>Impressive cultural and sports activities</li></ul>	<u>Intended outcomes:</u> <ul style="list-style-type: none"><li>Area has well looked after public spaces</li><li>All communities have access to decent open space</li></ul>	<u>Intended outcomes:</u> <ul style="list-style-type: none"><li>Dynamic and diverse local economy</li><li>Vibrant town centres</li><li>Improved performance/</li></ul>

<ul style="list-style-type: none"> <li>• Cohesive and active communities</li> </ul>	<ul style="list-style-type: none"> <li>• Improved air quality</li> <li>• Low levels of crime and ASB</li> </ul>	<ul style="list-style-type: none"> <li>• productivity of local economy</li> <li>• Increased employment and income levels</li> </ul>
<b>Impacts of Proposal</b>		
Ensures that procurement contributes to the health and wellbeing agenda	Ensures that procurement contributes to the sustainability agenda.	Ensuring that opportunities are provided to the local businesses and suppliers.
<b>Internal</b>		
<b>Effective Staff</b>	<b>Maintain or Improve Services</b>	<b>Firm Financial Footing over the Longer Term</b>
<u>Intended outcomes:</u> <ul style="list-style-type: none"> <li>• All staff are properly trained</li> <li>• All staff have the appropriate tools</li> <li>• All staff are engaged, empowered and supported</li> <li>• The right people are in the right job with the right skills and right behaviours</li> </ul>	<u>Intended outcomes:</u> <ul style="list-style-type: none"> <li>• Focusing on our customers' needs</li> <li>• Continuously improve our processes</li> <li>• Increase the digital provision of services</li> </ul>	<u>Intended outcomes:</u> <ul style="list-style-type: none"> <li>• Better return/use of our assets</li> <li>• Full Cost accounting</li> <li>• Continued cost management</li> <li>• Maximise income earning opportunities</li> <li>• Seek best value for money</li> </ul>
<b>Impacts of Proposal</b>		
None identified	Ensure that procurement is undertaken in a fair and transparent manner.	Ensuring that procurement obtains good value for money.

- 4.2 Supporting Strategies: Each strand of the FFF Strategy has several supporting strategies and the relevant ones for this proposal are the Councils Code of Procurement Practice. This report demonstrates the interventions being undertaken across the council to deliver the councils approach.

- 4.3 Under the Council's Code of Procurement Practice, details of all contracts for the supply of goods, services and supplies should be held on the council's central contracts register. The code also states the tender process to be used by officers when procuring goods and services.
- 4.4 Changes to Existing Policies: There are no proposed changes to existing policies proposed by this report.

## **5. BUDGETARY FRAMEWORK**

- 5.1 There are no direct budgetary implications arising from this report. All of the Council's expenditure should be made in accordance with the requirements of the Council's Code of Procurement Practice. This should help the Council to ensure that it achieves value for money from its expenditure through the correct tendering of contracts, and the subsequent management of those contracts.

## **6. RISKS**

- 6.1 It is important that all procurement across the Council complies with the relevant procurement regulations and directives and also the Council's Code of Procurement Practice. By following this approach the Council will reduce the risk of challenge.
- 6.2 Contract Management is an important element of procurement. Contracts need to be properly managed to ensure compliance with the contract, whilst considering all relevant aspect that may affect the performance of the contract. Also, it is important that contract managers pro-actively plan ahead to ensure the procurement of future contracts is properly managed.

## **7. ALTERNATIVE OPTIONS CONSIDERED**

- 7.1 This report is not concerned with recommending a particular option in preference to others so this section is not applicable.

## **8. BACKGROUND**

- 8.1 The Terms of Reference for the Finance and Audit Scrutiny include "Promote value for money and good procurement practice". This is a role that the Committee has actively pursued. In carrying out this role the Committee appointed three of its members to act as Procurement Champions to assist and advise the Procurement Manager. Without doubt, partly as a result of these actions, the status and knowledge of procurement has increased substantially across the organisation in recent years.
- 8.2 In March 2014 the Finance and Audit Scrutiny Committee requested that it review each departmental Contracts Register in turn. These reviews were intended to follow the approach used to review the Risk Register, whereby

the relevant portfolio holder and head of service are available to answer the committee's questions.

**9. Health and Community Protection's Contracts Register**

- 9.1 The latest version of the Health and Community Protection's Contracts Register is set out as Appendix 1.
- 9.2 Over the last year, Health and Community Protection have undertaken a review of the listed contracts and service level agreements on the contracts register. This highlighted a number of missing contracts from the register. Corrective action has been taken to ensure that those omissions are rectified.
- 9.3 This work has highlighted that some contracts or service level agreements do not been documented contracts that can be identified. Officers are working to ensure that these omissions are corrected.
- 9.4 There are a number of contracts due to expire shortly or in the first six months of 2018/19. Officers are aware of the expiry dates of the contracts are engaged in the necessary works to enable re-procurement of the contracts.

Contract Reference Number	Procurement Procedure	Status	risk of contract failure ( <i>Red for High, Amber for Medium and Green for low</i> )	risk description & mitigation strategy	Personal information transfer (YES/NO)	Agreement Type	Contract Title	Description	Contract Type	Supplier	Small Medium Enterprise (SME)/ Enterprise/ Voluntary/Community	Company Registration Number	Lead Department	Contact	Stakeholders	Start date	End date	Review Dates	Annual budget £	Contract value £	Irrecoverable VAT £	2016-17 Spend against contract £	Extension Option	Comments - including price change provisions and review dates.	Signed Contract Agreement is with CST (Deed Store) YES / NO. <i>If the answer is NO please give reasons why</i> . The Deed Store reference number is also required!	Electronic copy of Contract Agreement? if YES - please supply file location path. All electronic copies should be stored centrally on the L drive: L:\Works Contracts for Procurement\Electronic contracts
HC31DA0317	Direct Award	Live < £5k	Green	Regular review	no	Contract/Service Agreement	CSE training	Nominated Provision of CSE training	Service	Barnardos	Community	N/A	Health and Community Protection	Lorna Hudson	Other Warwickshire LAs	01/01/2016	01/09/2018	01/01/2018	1,260	1,260	Nil	1,260.00	n/a	Committed to this project & trainer provide by delivery partner Warwickshire Police CSE team - Barnardos Worker. Contract to be tendered 2018/19	<b>NO</b>	
HC10TQ0215	Invitation to Quote (2+ Suppliers)	Live	Amber	Limited suppliers available. Regular Review	yes	Contract/Service Agreement	Riding Establishments VET Services	Riding Establishments Veterinary Services	Services	Anna Honnor	Small	118166617	Health and Community Protection	Lorna Hudson	NA	01/04/2018	31/03/2021	01/11/2020	2,000	6,000	Nil	2,006.00	fixed term	Waiting on signed contract - electronic version	Yes - Electronic version pending	TBC
HC11LV0415	Open: Published Invitation to Tender	Live	Green	Regular review	no	Contract/Service Agreement	Air Quality Monitoring	Collection and reporting of data for Air Quality monitoring and maintenance of stations within Warwick District	Services	We Care 4 Air	Enterprise	09235089	Health and Community Protection	Pete Cutts	NA	01/04/2015	31/03/2021	01/09/2018	5,432	16,296	Nil	5,432.00	Option to extend for a further 3 years, subject to funding and performance	02/11/17 - 3 year extension taken	NO	<a href="#">Yes - L:\Works Contracts for Procurement\Electronic contracts\Health and Community\2015_16\HC11LV0415_Air quality monitoring</a>
HC36DA0417	Public contract exemption	Live < £5k	Green	Joint Funded post with WCC paid from this SLA	yes	SLA with other orgs	DHR	Contributions to DHR	Services	WCC	LA	N/A	Health and Community Protection	Pete Cutts	WCC, SWCSP	01/04/2017	31/03/2018	01/01/18	4,176	4,176	Nil	N/A	y	Arrangement in place for sometime. Reviewed regularly. Contribution made to WCC joint funded	NO	Yes: L:\works contracts for procurement\electronic contracts\health and community protection\2017-18\HC36DA0417
HC38DA0417	Public contract exemption	Live < £5k	Green	Joint Funded post with WCC paid from this SLA	yes	SLA with other orgs	LRF	Contribution to LRF	Services	WCC	LA	N/A	Health and Community Protection	Jayne Bayley	WCC, LFR partners	01/04/2017	31/03/2018	01/01/18	2,060	2,060	Nil	N/A	y	Arrangement in place for sometime. Reviewed regularly. Contribution made to joint funded post	<b>NO</b>	
HC28DA0417	Public contract exemption	Live	Amber	Fails to meet the requirements as a statutory responder. Fails to deliver the service expected. New arrangement. Full review to take place in december. Regular contact to discuss matters and arising issues.	yes	SLA with other orgs	flood risk advice	Advice and professional services relating to the flood risk within the District.	Services	Warwickshire County Council	LA	N/A	Health and Community Protection	Marianne Rolfe	Development Services	01/07/2017	31/03/2018	01/01/18	10,500	10,500	Nil	N/A	Year to year until terminated by notice	New arrangement. This advice is delivered through a a service level agreement which is reviewed annually. From 01/04/18 responsibility to transfer to Development Services.	NO	<a href="#">YES - L:\Works Contracts for Procurement\Electronic contracts\Health and Community\2017_18\HC28DA0417_INFORMATION AND SERVICE FOR PLANNING AND FLOOD MANAGEMENT FUNCTIONS</a>
HC04OJ1214	Open: Published Invitation to Tender	Live	Green	Regular review	no	Contract/Service Agreement	Voluntary Sector: Lot 1 Third Sector Support - District Wide	Voluntary Sector: Lot 1 Third Sector Support - District Wide	Services	Warwickshire Community and Voluntary Action	Small: Voluntary	06531268	Health and Community Protection	Liz Young	NA	01/04/2015	30/06/2018	05/02/2018	55,000	165,000	Nil	54,998.00	No option to extend	New contracts prcess underway	YES C1/2012, C2/2012	n/a
HC06OJ1214	Open: Published Invitation to Tender	Live	Green	Regular review	no	Contract/Service Agreement	Voluntary Sector: Lot 4 Services in Targeted Geographic Areas, West Warwick	Voluntary Sector: Lot 4 Services in Targeted Geographic Areas, West Warwick	Services	Warwick Percy Estate Community Projects Ltd aka the Gap	Small: Voluntary	4102182	Health and Community Protection	Liz Young	NA	01/04/2015	30/06/2018	05/02/2018	35,000	105,000	Nil	34,998.00	No option to extend	New contracts prcess underway	YES C5/2012	n/a
HC08OJ1214	Open: Published Invitation to Tender	Live	Green	Regular review	no	Contract/Service Agreement	Voluntary Sector: Lot 6 Financial Inclusion – District Wide	Voluntary Sector: Lot 6 Financial Inclusion – District Wide	Services	Warwick District Citizens Advice Bureau	Medium: Voluntary	5252247	Health and Community Protection	Liz Young	NA	01/04/2015	30/06/2018	05/02/2018	100,000	300,000	Nil	99,998.00	No option to extend	New contracts prcess underway	YES C9/2012	n/a

HC07OJ1214	Open: Published Invitation to Tender	Live	Green	Regular review	no	Contract/Service Agreement	Voluntary Sector: Lot 5 Services in Targeted Geographic Areas, Sydenham	Voluntary Sector: Lot 5 Services in Targeted Geographic Areas, Sydenham	Services	Sydenham Neighbourhood Initiative	Small: Voluntary	3521640	Health and Community Protection	Liz Young	NA	01/04/2015	30/06/2018	05/02/2018	20,000	60,000	nil	19,998.00	No option to extend	New contracts process underway	Yes C11/2017	n/a
HC32LV0517	Invitation to quote (3 + suppliers)	Live	Green	failure to provide required service. Monthly and Key milestones	yes	Contract/Service Agreement	Project Manager	Project Manager for the delivery of District Heat Network feasibility	Service	Sustainability West Midlands	SME	N/A	Health and Community Protection	Marianne Rolfe	Health and Community Protection	01/05/2017	31/07/2018	01/01/2018	10,000	10,000	Nil	0.00	n.a	N/A	yes -A69	n/a
HC24TQ0416	Framework: Direct Award	Live < £5k	Green	Regular review	no	Contract/Service Agreement	Water Coolers	Provision of Water Coolers installed throughout Council Properties	Services	Horizon Drinks	Enterprise	1710896	Health and Community Protection	Ian Carden	All Service Areas	01/04/2016	31/03/2018	01/02/2018	790	3,159	Nil	915.80	N/A	The is low spent they may be a requirement to extent the initial term by further 12 months upto a maximum of 4 Years subject to satisfactory performance during the initial term. Ian Carden through services Manager should make that decision as part of the ongoing contract management. 27/01/17: satisfactory initial period, opting to extend a further 12 months. Additional spent in	NO	<a href="#">Yes - L:\Works Contracts for Procurement\Electronic contracts\Health and Community\2015_16\HC24TQ0416_Water coolers</a>
HC15LV0615	Open: Published Invitation to Tender	Live	Green	Regular review	no	Contract/Service Agreement	Voluntary Sector: Services in Targeted Geographic Areas, Crown	Voluntary Sector: Services in Targeted Geographic Areas, Crown	Services	Crown Routes	Small: Voluntary	5081240	Health and Community Protection	Liz Young	NA	01/07/2015	30/06/2018	05/02/2018	30,000	90,000	Nil	30,000.00	No option to extend	New Contract process underway	Yes C12/2017	n/a
HC05OJ1214	Open: Published Invitation to Tender	Live	Green	Regular review	no	Contract/Service Agreement	Voluntary Sector: Lot 2 Services in Targeted Geographic Areas, Brunswick	Voluntary Sector: Lot 2 Services in Targeted Geographic Areas, Brunswick	Services	Brunswick Healthy Living Centre	Small: Voluntary	06181997	Health and Community Protection	Liz Young	NA	01/04/2015	30/06/2018	05/02/2018	50,000	150,000	Nil	49,998.00	No option to extend	New Contract process underway	YES C3/2012	n/a
HC09OJ1214	Open: Published Invitation to Tender	Live	Green	Regular review	no	Contract/Service Agreement	Voluntary Sector: Lot 7 Delivery of Employment Clubs	Voluntary Sector: Lot 7 Delivery of Employment Clubs	Services	Brunswick Healthy Living Centre	Small: Voluntary	06181997	Health and Community Protection	Liz Young	NA	01/04/2015	30/06/2018	05/02/2018	40,000	120,000	Nil	39,998.00	No option to extend	New Contract process underway	YES C3/2012	n/a
CP01OJ0812	Open: Published Invitation to Tender	Live	Green	Regular review	no	Contract/Service Agreement	CCTV maintenance	CCTV maintenance at Control Room at Town Hall	Services	ADT	Enterprise	01838517	Health and Community Protection	Cadelle Hill	All Service Areas	01/09/2012	31/03/2018	01/01/2018	68,000	200,000	Nil	68,000.00	No	n/a	YES C12/2002	n/a
HC30DA0417	Public contract exemption	Live	Green	Regular Review	yes	SLA with other orgs	Laboratory Services	Laboratory Services	Services	Public Health England	Government	N/A	Health and Community Protection	Lorna Hudson	PHS, All La's FSA	01/04/2017	01/04/2020	01/12/19	0	0	Nil	N/A	To continue as long as the Nationals food sampling programme is in operation.	The funding is provided for by the FSA and covers the costs of sample collection and analysis at designated food laboratories identified by FSA.	NO	YES: Lworks contracts for procurement\electronic contracts\health and community protection\2017 18\HC30DA0417
HC40TQ0517	Invitation to quote (3 + suppliers)	Live	Green	Regular Review	yes	Contract/Service Agreement	VCS contract project manager	Specialised contractor ro evaluate VCS contracts	Services	Inspira Consulting	SME	N/A	Health and Community Protection	Liz Young	HCP	01/06/2017	01/04/2018	01/01/2018	15,390	15,390	Nil	0.00	n/a	n/a	YES - C23/2017	n/a

HC42TQ0517	Invitation to Quote (3+ suppliers)	Live < £5k	Green	Regular Review	no	Contract/Service Agreement	Air Quality Annual Status Report	Provision of the Air Quality Annual Status Report	Services	Bureau Veritas UK Ltd	SME	N/A	Health and Community Protection	Matthew Shirley	WDC	26/05/2017	25/05/2018	01/03/2018	2,000	2,000	Nil	N/A	Ability to extend by 2 x 12 months	The Council agrees to pay a maximum fee of £1400 for 2017 ASR, £1300 for 2018 ASR and £1300 for 2019 ASR to the Consultant. Payment for the 2018 and 2019 periods are dependent on the contract being extended on a 12 month plus 12 month basis, subject to satisfactory performance in the initial 12 month term.	Yes - C28/2017	<a href="#">YES - L:\Works.Contracts for Procurement\Electronic contracts\Health and Community\2017_18\HC42TQ0517_Air quality report</a>
HC16LV0715	Invitation to Quote (2+ Suppliers)	Live	Green	regular contact and consistency training	no	Contract/Service Agreement	MOT's and Fleet Inspections	Provision of MOT'S and Fleet Inspections of Hackney Carriages and Private Hire	Services	Tyreman Ltd	Small	2719216	Health and Community Protection	Lorna Hudson	NA	01/07/2015	30/06/2018	31/03/2018	Concession	Concession	Nil	0.00	Reviewed on performance and future requirements	Option taken to roll on contract for a further year.	YES C33/2015	n/a
HC18LV0715	Invitation to Quote (2+ Suppliers)	Live	Green	regular contact and consistency training	no	Contract/Service Agreement	MOT's and Fleet Inspections	Provision of MOT'S and Fleet Inspections of Hackney Carriages and Private Hire	Services	H M Bryan & Sons	Small	3650417	Health and Community Protection	Lorna Hudson	NA	01/07/2015	30/06/2018	31/03/2018	Concession	Concession	Nil	0.00	Reviewed on performance and future requirements	Option taken to roll on contract for a further year.	YES C35/2015	n/a
HC17LV0715	Invitation to Quote (2+ Suppliers)	Live	Green	regular contact and consistency training	no	Contract/Service Agreement	MOT's and Fleet Inspections	Provision of MOT'S and Fleet Inspections of Hackney Carriages and Private Hire	Services	Gas Guzzlers Garage	Small	Partnership and therefore no registration number	Health and Community Protection	Lorna Hudson	NA	01/07/2015	30/06/2018	31/03/2018	Concession	Concession	Nil	0.00	Reviewed on performance and future requirements	Option taken to roll on contract for a further year.	YES C34/2015	n/a
HC25MC0516	Framework: Mini Competition	Live	Green	Regular Review	no	Contract/Service Agreement	Lease hire Contract for supply of Electric vehicles	Lease Hire for a fleet of 5 Electric Vehicles	Goods	Auto leasing	Enterprise	1397939	Health and Community Protection	Marianne Rolfe	Housing & Property Teams	01/07/2016	30/06/2018	01/01/2018	19,800	200,000	3,162	21,428.17	Subject to Funding	OLEV granting funding on leases which is 75% of the cost will cease in 24 months , subject to funding being available there is provision of extension for current lease by a further 12 months. Renewal decision being taken to SMT.	YES - C30/2016	n/a
HC19LV0815	Invitation to Quote (2+ Suppliers)	Live	Green	Regular Review	yes	Contract/Service Agreement	Public Health funerals	Public Health Funerals within the Warwick District Area	Services	LM Funerals Limited trading as Henry Isons Funeral Directors	SME	302462921	Health and Community Protection	Pete Cutts	NA	01/09/2015	31/08/2018	01/04/2018	9,000	27,000	Nil	8,675.00	Options to extend for a further 2 years	Contract issued to henry Ison & sons 01/09/2015 for 3 years (31/03/2018) with option to extend by for 2 years. Estimated figures as statutory duty to conduct and figures vary year on year.	YES C30/2015	n/a
HP02CF0417	Public contract exemption	Live	Green	Regular Review	no	SLA with other orgs	E-CINS	Web based information case management system	Services	Warwickshire County Council with Empowering Communities	LA	N/A	Health and Community Protection	Pete Cutts	WDC, Police, Other local authorities and RSL's	01/04/2017	31/03/2019	01/01/19	31,265	62,530	Nil	N/A	upon review	Partner based system required to be used.	NO	<a href="#">YES - L:\Works.Contracts for Procurement\Electronic contracts\Health and Community\2015_16\HP02CF0417_Ecins collaborative agreement</a>

HC33DA0417	Public contract exemption	Live < £5k	Green	Regular Review	no	Contract/Service Agreement	Air quality data	Collection and reporting of air quality data	Services	Staffordshire county council	LA	N/A	Health and Community Protection	Pete Cutts	Regional La's	01/04/2017	31/03/2019	01/09/18	3,593	3,593	Nil	N/A	n.a	Arrangement has been inplace for sometime. Reviewed regularly. Dec - 2017: Amended status to contract/agreement as we are purchasing a service. To be replaced using a 3 quote procurement	NO	
HC22LV1215	Framework: Mini Competition	Live	Green	Regular Review	no	Contract/Service Agreement	Security for Riverside House	Provision of Security for Riverside House Offices	Services	Mitie Security Limited	Medium	1013210	Health and Community Protection	Ian Carden	N/A	01/04/2016	31/03/2019	01/03/2018	Various Prices for Year 1; 2 and 3	35,979	Nil	11,993.04	3 Years +1+1	Contract was advertised as further competition within ESPO Framework 347	YES C45/2015, C6/2013	n/a
CP05BE0114	By Exemption	Live	Green	Regular Review	no	Contract/Service Agreement	CCTV - BT Fibre Rental Charge	CCTV - BT Rental Charge	Services	BT	Enterprise	1800000	Health and Community Protection	Cadelle Hill	All Service Areas	01/04/2014	31/03/2019	01/06/2018	54,002	108,004	Nil	54,002.14	No	Variation Agreement	YES C5/2014	n/a
HC27TQ1016	Invitation to Quote (3+ Suppliers)	Live < £5k	Green	fails to deliver service required. Regular contact with provider. Reporting of poor service to contract manager for discussion with provider.	yes	Contract/Service Agreement	Transcription Services	Transcription services for enforcement activities	Services	Victoria Pink	SME	n/a	Health and Community Protection	Marianne Rolfe	All Service Areas	05/10/2016	04/10/2019	01/12/2018	300	900	nil	132.11	1+1	Contract reviewed after first year. Satisfactory delivery of service. Estimated contract value based on previous years enforcement activities.	YES - A66	n/a
EH09LV0317	Low Value Tender	Live	Amber	Limited suppliers available. Regular Review	yes	Contract/Service Agreement	stray dog kenneling	Stray dog boarding	Services	Dunsmore Kennels	SME		Health and Community Protection	Jayne Bailey	WDC residents	01/04/2017	31/03/2020	01/03/2018	5,000	15,000	Nil	5,784.19 plus VAT	None	n/a	YES C5/2017	n/a
HC41DA0617	Direct Award by exemption	Live	Green	failure to deliver the required service. Regular contact with provider.	no	Contract/Service Agreement	CIVICA APP	CIVICA APP system & licences	Services	Civica UK Ltd	Enterprise	1628868	Health and Community Protection	Marianne Rolfe	Neighbourhood Services/ Housing	13/06/2017	12/06/2020	01/12/2018	31,000	93,000	Nil	n/a	No option to extend	Service contract for 3 years via exemption and VEAT notice. Supply and Service of software to be investigated with an intention to reprocure.	NO	<a href="#">Yes - L:\Works Contracts for Procurement\Electronic contracts\Health and Community\2017_18\HC41DA0617_CIVICA</a>
HC20LV0815	Invitation to Quote (2+ Suppliers)	Live	Green	Regular Review	no	Contract/Service Agreement	Unmet Demand Survey	Hackney Carriage Unmet Demand	Services	CTS Traffic & Transportat ion Ltd	Small	04723598	Health and Community Protection	Lorna Hudson	NA	01/09/2015	31/08/2020	01/04/2020	7,995	39,975	Nil	2,800.00	Term of the contract is for 1 yr + 2 + 2	payment made over two financial years	YES C36/2015	n/a
HC21TQ1215	Invitation to Quote (2+ Suppliers)	Live	Amber	Limited suppliers available. Regular Review	yes	Contract/Service Agreement	The guide dogs for the blind association provision of awareness training	Guide Dogs Awareness Course	Services	The Guide Dogs for the Blind Association, Sub-Contracting to Queen Alexandra College	N/A	209617 & 1065794	Health and Community Protection	Lorna Hudson	NA	01/04/2016	31/04/2018	01/01/2018	0	0	Nil	0.00	2 +2 Years	Contract Awarded against 3 Quotes. 03/05/17: Option to extend being taken. Extension letter being sent. Concession	YES - C2/2016	YES: L:works contracts for procurement\electronic contracts\health and community protection\2017-18\HC21TQ1215
HC43DA0417	Direct Award	Live	Green	Regular review	yes	Contract/Service Agreement	Act on Energy	Advice to public on energy sustainability	Services	Act on Energy	Enterprise	N/A	Health and Community Protection	Alice Ellis	Health and Community Protection	01/04/2017	31/03/2018	01/01/2018	5,725	5,725	Nil	8,500	n/a	reviewed in 2017/18 and contract value redcued	NO	yes - L:Works Contracts for Procurement\Electronic contracts\health and Community Protection\2017 18\act on energy
HC44LV0917	Low Value Tender	Live < £5k	Red	Regular Review	no	Contract/Service Agreement	Satellite phone contract	Resilient Telecoms	Services	AST Connection s Ltd trading as Applied Satellite Technology Systems Ltd	Limited Company	3667051	Health and Community Protection	Jayne Bailey/Pete Cutts	WDC	19/09/2017	18/09/2018	22/06/2018	795	795	NIL	795	n/a	Not known as this contract was set up some years ago by an officer who has now left. UNDER INVESTIGATION	NO	
HC45TQ0310	Invitation to Quote (2+ Suppliers).	Live	Green	Regular Review	no	Contract/Service Agreement	AssessNet	Corporate H&S recording system	Services	Riskex	Limited Company	5174302	Health and Community Protection	Ian Carden	WDC	11/03/2010	11/03/2019	01/09/2018	2,995	23,960	NIL	2,995	n/a	Go out to quote 2018 to replace with new contract combined with portal contract.	NO	YES: L:works contracts for procurement\electronic contracts\health and community protection\2017-18\HC45TQ0310

HC46TQ0717	Invitation to Quote (2+ Suppliers).	Live	Green	Regular Review	no	Contract/Service Agreement	Access Control System	Access system for Riverside House	Services	Johnson Controls	Limited Company	8993483	Health and Community Protection	Ian Carden	WDC	01/07/2002	30/06/2018	01/04/2018	3,903	11,709	NIL	3,903	n/a	n.a	NO	YES: L: works contracts for procurement\electronic contracts\health and community protection\2017-
HC47TQ0317	Invitation to Quote (2+ Suppliers).	Live < £5k	Green	regular Review	no	Contract/Service Agreement	Chubb Alarms	Alarm system for Riverside House	Services	Chubb	Limited Company	524469	Health and Community Protection	Ian Carden	WDC	01/03/2017	01/03/2020	01/02/2018	1,450	4,350	NIL	1,450	n/a	n/a	NO	
HC48LV0118	Low Value Tender	Live	Green	Regular review and BEIS oversight	yes	Contract/Service Agreement	Provision of Heat Feasibility Studies	Heat feasibility studies for Warwick and Leamington	Services	Encraft Ltd	SME	04937978	Health and Community Protection	Marianne Rolfe	WDC	19/01/2018	30/06/2018	01/05/2018	75,038	75,038	NIL	N/A	No	The end of this contract is upon completion of the tendered services.	YES	

Name of Reserve & Purpose	Use of Reserve/Balance	Management and Control	Review Mechanism
<b>General Fund Reserves</b>			
<b>Art Fund Reserve</b> To fund major art purchases for the Art Gallery and Museum	Items to be financed from this reserve are charged to the Art Gallery and Museum Account during the year and notified to Finance. An appropriate amount is then transferred to the General Fund as part of the final accounts process. The reserve is "topped up" from public donations and any unspent balance on the Art Gallery and Museum purchases budget.	The Head of Cultural Services has delegated authority to make such purchases as necessary from the reserve subject to reporting the purchases retrospectively to the Executive. The movements in and out of the reserve are monitored against the approved or expected pattern by Finance at least three times a year.	The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing/decreasing the balance or complete closure
<b>Art Gallery Gift Reserve</b> To provide finance for major Art Gallery and Museum purchases linked to the specific conditions imposed by the original gift of the money to the Council	Items to be financed from this reserve are charged to the Art Gallery and Museum Account during the year and notified to Finance. An appropriate amount is then transferred to the General Fund as part of the final accounts process.	The Head of Cultural Services has delegated authority to make such purchases as necessary from this reserve subject to reporting retrospectively to the Executive. The movements in and out of the reserve are monitored against the approved or expected pattern by Finance at least three times a year.	This reserve is reviewed during the final accounts process but as the reserve was created by a private donation and has conditions of use attached to it, levels and potential closure are not applicable
<b>Biodiversity Reserve</b>	Reserve established to hold developers contributions resulting from loss of habitat arising from their developments. These contributions are then used for biodiversity improvements offsite	The Head of Neighbourhood Services, in agreement with the Head of Finance, has delegated authority to spend from this reserve.	This reserve is reviewed during the final accounts process but as the reserve was created from S106 contributions which generally have conditions of use attached to them, levels and potential closure are not applicable
<b>Building Control Reserve</b> The fee earning part of the Building Control service should not make a loss over a rolling three year period. This reserve has been created to assist in this with annual surpluses being paid into it and any annual losses being funded from it. It also funds any improvements required in the service.	Annual surpluses/deficits are credited/debited to this reserve as necessary. If funding improvements e.g. IT, reserve makes the necessary contribution to either the General Fund or Capital Financing as appropriate.	Approval for expenditure to be met from this reserve is subject to a report to the Executive which previously has been agreed with Finance. The movements in and out of the reserve are monitored against the approved or expected pattern by Finance at least three times a year.	The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing/decreasing the balance or complete closure.
<b>Business Rate Retention Volatility Reserve</b>	Reserve established to provide finance for "smoothing out" future retained Business Rate revenues.	Executive to approve usage.	The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing/decreasing the balance or complete closure.
<b>Capital Investment Reserve</b> To provide finance for the Council's General Fund capital programme not met by other resources e.g. capital receipts, RCCO, external contributions, other reserves.	This reserve provides the balancing figure for financing the Council's General Fund capital programme and the relevant amount is transferred to the Capital Adjustment Account as part of the final accounts process. Annual "repayments" in respect of recently financed schemes are made to the reserve from the General Fund.	The General Fund capital programme and its financing is approved by the Executive. This sets the contribution from this reserve. Any variation to this figure will be formally agreed by the Executive either as part of the final accounts process or as part of the normal process of revising the General Fund Capital Programme. In addition the reserve is monitored by Finance on a regular basis to provide information for reviews of capital programme resources.	The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the Estimates and Final Accounts processes where depending on the need, a recommendation to the Executive can include increasing/decreasing the balance or complete closure. In addition the adequacy of the reserve is reviewed as part of the financial strategy and capital programme setting processes. Normal practice is to keep the level at around £1,000,000.

Name of Reserve & Purpose	Use of Reserve/Balance	Management and Control	Review Mechanism
<b>Car Parks Displacement Reserve</b>	substantial work is required to be carried out in respect of some of the Council's car parks in forthcoming years. There will be some costs for arranging alternative parking arrangements, along with possible loss of income.	Transfers to and from this reserve will be approved by the Executive as part of the Budget and Final Accounts processes.	The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing/decreasing the balance or complete closure.
<b>Car Parks Repairs and Maintenance Reserve</b>	Reserve created from Car Parks revenue repairs and maintenance budget in order to provide resources for future years.	Transfers to and from this reserve will be approved by the Executive as part of the Budget and Final Accounts processes.	The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing/decreasing the balance or complete closure.
<b>Cemetery Land Purchase Reserve</b>	To purchase land for cemetery extensions	The General Fund capital programme and its financing is approved by the Executive. This sets the contribution from this reserve. Any variation to this figure will be formally agreed by the Executive either as part of the final accounts process or as part of the normal process of revising the General Fund Capital Programme. In addition the reserve is monitored by Finance on a regular basis to provide information for reviews of capital programme resources.	The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing/decreasing the balance or complete closure.
<b>Commonwealth Games (Bowls) Reserve</b>	To set aside funds towards funding the project in future years.	The use of this reserve will be agreed by the Chief Executive in consultation with the Leader.	The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing/decreasing the balance or complete closure.
<b>Community Forums Reserve</b>	To provide finance for the annual programme of Community Forum Grants	February 2013 Executive approved 4 year programme 2014/15 to 2017/18.	The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing/decreasing the balance or complete closure.
<b>Community Projects Reserve</b>	Reserve created from 2017/18 New Homes Bonus to provide finance for various District wide community projects.	Approval for project spend will be way of reports to the Executive.	The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing/decreasing the balance or complete closure.
<b>Commuted Sums Reserve</b> Commuted Sums are received from developers in respect of the adoption of public open space or other facilities to be maintained at the Council's expense.	Credits are made annually to the General Fund based on (usually) 1/13 of the capital sum starting from the year in which the maintenance of the facility begins. This date notified by the relevant Service Area.	The General Fund Estimates and its financing is approved by the Executive. This sets the contribution to/from this reserve. The movements in and out of the reserve are monitored against the approved or expected pattern by Finance at least three times a year.	The balance on this reserve is dictated by receipts from developers.
<b>Corporate Assets Reserve( name change from Sports &amp; Culture Facility Reserve )</b>	To provide finance for refurbishment of facilities following the Stock Condition Survey	Approvals from the reserve have been delegated to SAG and the Section 151 Officer in consultation with the portfolio holders for Housing & Property Services and Finance	The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing/decreasing the balance or complete closure.

Name of Reserve & Purpose	Use of Reserve/Balance	Management and Control	Review Mechanism
<b>Covent Garden Multi Storey Reserve</b>	To provide finance to cover lost income and 1st years debt charges when the car park is redeveloped	Authority to spend is delegated to the Head of Finance in line with the actual lost net income and debt charges. Executive to be informed upon the use of the reserve and balance thereof.	The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing/decreasing the balance or complete closure.
<b>Election Expenses Reserve</b> To provide finance to fund the expense incurred in holding the District Council elections every four years.	The cost of the election is charged to a service account and a contribution from this reserve is credited to the General Fund from this reserve as part of the final accounts process. In the years where no election is held an annual contribution of £30,000 is made to the reserve..	The movements in and out of the reserve are monitored against the approved or expected pattern by Finance at least three times a year.	The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing/decreasing the balance or complete closure.
<b>Energy Management Reserve</b> To provide finance for the Council's energy saving schemes within its General Fund and Housing Revenue Account properties	Energy Management Schemes undertaken by Property are charged to the relevant service account during the year. The total cost is notified to Finance and the comparable amount is credited to the General Fund or Housing Revenue Account from this reserve as part of the final accounts process. Annual contributions are made into the Reserve as repayments for schemes previously financed.	The Head of Housing and Property Services has delegated authority to spend up to £50,000 on any one scheme from this reserve. Schemes above this level require the approval of the Executive. The movements in and out of the reserve are monitored against the approved or expected pattern by Finance at least three times a year.	The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing/decreasing the balance or complete closure.
<b>Enterprise Projects Reserve</b>	Reserve is used to smooth surpluses/deficits	Transfers to and from this reserve will be approved by the Executive as part of the Budget and Final Accounts processes, with delegations over usage agreed by Executive August 2017 to the Head of Development Services up to £20k..	Reserve reviewed by Finance as part of Estimates and closedown procedures.
<b>Equipment Renewal Reserve</b> To finance a rolling programme of equipment and property replacement and renewal.	Revenue Items to be financed from this reserve are charged to the Service Accounts during the year. An appropriate amount is then transferred to the General Fund as part of the final accounts process.	Items proposed to be financed from this reserve should first be approved by Executive to be included within the ERR Schedule. Use of reserve is subsequently controlled by SMT who consider the Business Case seeking release of funding from the reserve, and may approve if appropriate followed by approval from Chief Executive and relevant portfolio holders. The standard Business case template to be used for SMT's consideration was presented and approved by the September 2011 Executive.	Reserve reviewed as part of Estimates and closedown procedures. Balance increased on basis of Executive approval. Based on the current programme It is anticipated that the reserve will be extinguished by the end of 2018/19.
<b>General Fund Early Retirement Reserve</b> To provide finance to cover the one off pension costs to the General Fund as a result of the early retirement of Officers and to provide finance to cover redundancy costs to the General Fund.	Items to be financed from this reserve are charged to the Service Accounts during the year and notified to Finance. An appropriate amount is then transferred to the General Fund as part of the final accounts process.	Approval for expenditure to be met from this reserve is subject to a report to the Executive which previously has been agreed with Finance. The movements in and out of the reserve are monitored against the approved or expected pattern by Finance at least three times a year.	The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing/decreasing the balance or complete closure.
<b>Gym Equipment Reserve</b> To provide finance for the replacement of the Gym Equipment within the Council's Leisure Centres	Suitable schemes are identified and included within the capital programme. The relevant amount from this reserve is then utilised to finance them. Current practice is to credit the reserve with £30,000 per annum. However, as a result of the Leisure Centres Options project this will cease from 2016/17 onwards.	The Head of Cultural Services, in conjunction with the S151 Officer and Cultural Services Portfolio Holder, has delegated authority to approve future expenditure from this reserve. The movements in and out of the reserve are monitored against the approved or expected pattern by Finance at least three times a year.	The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer essentially three times a year a) when the Financial Strategy is updated b) at budget setting and c) final accounts where depending on the need, a recommendation to the Executive can include increasing/decreasing the balance or complete closure. In addition the adequacy of the reserve is taken into account when revising the capital programme.

Name of Reserve & Purpose	Use of Reserve/Balance	Management and Control	Review Mechanism
<b>Harbury Lane Reserve</b>	A reserve has been created over a number of years to fund this project; of which £84,000 is unspent in the 2017/18 budget. These monies will be transferred to the proposed Harbury Lane Reserve towards future funding requirements.	The use of this reserve will be agreed by the Chief Executive in consultation with the Leader.	The level and continued requirement of this reserve will be reviewed by finance in conjunction with the Chief executive and the leader.
<b>Hill Close Gardens Reserve</b>	This reserve will be used to help fund maintenance of Hill Close Gardens.	£20,000 per annum will be credited to the Income & Expenditure account as part of the Council's budget setting process.	The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing/decreasing the balance or complete closure
<b>Homelessness Prevention Reserve</b>	In March 2017, the Government announced that this Council would receive Flexible Homelessness Support Grant £275,000 in 2017/18 and £340,500 in 2018/19 towards Homelessness Prevention.	It is recommended that the Head of Housing Services has delegated authority to draw down from the Reserve in conjunction with the Service Portfolio Holder, Head of Finance and Finance Portfolio Holder.	This money is ring-fenced to prevent or deal with homelessness with the funding being allocated to the reserve until Council has determined how this money will be spent.
<b>ICT Replacement Reserve</b> To provide finance for the Council's ICT Replacement programme	This reserve has been established in order to provide certainty of finance for the Council's ICT replacement programme.	The ICT Services Manager has delegated authority to spend from this reserve in consultation with the Head of Finance and relevant Portfolio Holders	The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer and ICT Manager essentially three times a year a) when the Financial Strategy is updated b) at budget setting and c) final accounts where depending on the need, a recommendation to the Executive can include increasing/decreasing the balance or complete closure. In addition the adequacy of the reserve is taken into account when revising the capital programme.
<b>Insurance Reserve</b> To provide finance to cover the Council's self insurance against potential claims and to pay for security improvements to the Council's General Fund properties. The reserve also holds sufficient funds to cover any potential claim with regard to the Municipal Mutual Insurance "clawback" re previous claims settled.	Self insurance claims and Security Improvements are charged to the service accounts and the comparable amount is credited to the General Fund from this reserve as part of the final accounts process.	The Insurance Officer has authority to spend up to £15,000 ( £1,000 per project ) in any one year on security improvements. Items above these thresholds have to be authorised by the Head of Finance. The movements in and out of the reserve are monitored against the approved or expected pattern by Finance at least three times a year.	The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing/decreasing the balance or complete closure.
<b>Investment Volatility Reserve</b>	Set up to capture a portion of the gain on corporate equity funds to be used to smooth possible future fluctuations	Authority to spend from this reserve is delegated to the Head of Finance.	The use of this reserve will be included within future Budget reports to be agreed by the Executive
<b>Leisure Options Reserve</b>	This reserve has been established to cover such items as the reduction in income whilst the Leisure Centre refurbishment programme is under way and also the first year and a half's debt charges arising from the prudential borrowing for this project. The reserve will also fund the re-profiling of the contractor concessions arising from the outsourcing of the Leisure Centres operation.	Authority to spend from this reserve is delegated to the Head of Finance in line with the actual lost income and debt charges incurred..	The continuing need for the reserve will be reviewed by Finance in conjunction with the S151 Officer and Head of Cultural Services, and depending on the need, a recommendation to the Executive can include increasing/decreasing the balance or complete closure.

Name of Reserve & Purpose	Use of Reserve/Balance	Management and Control	Review Mechanism
<b>Local Plan Delivery Reserve</b>	The reserve is used for items of work required to help the implementation of the Local Plan. This would include detailed work on a specific proposal to help turn it from a proposal to reality.	Approval to spend from this reserve is delegated to the Chief Executive, Head of Finance and Head of Development Services in consultation with the Deputy Leader (Responsible for the Local Plan) and all group leaders.	The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing/decreasing the balance or complete closure.
<b>Planning Investment Reserve</b>	Creation of a reserve into which the 20% uplift in planning fees will be allocated.	To be apportioned by the Head of Finance.	The level and continuing need for the reserve is reviewed by Finance followed by a recommendation to the Executive can include increasing/decreasing the balance or complete closure
<b>Planning Reserve</b> Originally created to provide finance to cover the costs incurred by the Council with regard to appeals against its planning decisions. The Reserve also now pays for issues relating to planning policy, for example the costs associated with the Local Plan, and associated research.	Items to be financed from this reserve are charged to the Planning Service Account during the year and notified to Finance. An appropriate amount is then transferred to the General Fund as part of the final accounts process.	Approval for expenditure to be met from this reserve is subject to a report to the Executive which previously has been agreed with Finance. The movements in and out of the reserve are monitored against the approved or expected pattern by Finance at least three times a year.	The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing/decreasing the balance or complete closure.
<b>Public Amenity Reserve</b>	To provide finance for play area and public open space improvements	The General Fund capital programme and its financing is approved by the Executive. This sets the contribution from this reserve. Any further upward variation in the contribution would have to be approved by the Executive either as part of a report on the particular scheme in question or as part of a revision of the capital programme during the budget monitoring process. The movements in and out of the reserve are monitored against the approved or expected pattern by Finance at least three times a year.	The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing/decreasing the balance or complete closure.
<b>Public Open Spaces Planning Gain Reserve</b>	Expenditure from this reserve will be charged to Service Accounts during the year. An appropriate amount is then transferred to the General Fund as part of the final accounts process.	The Head of Neighbourhood Services, in agreement with the Head of Finance, has delegated authority to spend from this reserve.	This reserve is reviewed during the final accounts process but as the reserve was created from S106 contributions which generally have conditions of use attached to them, levels and potential closure are not applicable
<b>Rent Bond Scheme Reserve</b>	Reserve established to assist households who are homeless, threatened with homelessness or in housing need by guaranteeing one month's rent to the landlord.	Authority to spend from this reserve is delegated to the Head of Housing and Property Services.	The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing/decreasing the balance or complete closure.
<b>Right to Bid Reserve</b>	To provide finance to help meet compensation claims arising from the Council listing properties as Community Assets.	Executive to approve usage.	The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing/decreasing the balance or complete closure.
<b>Right to Challenge Reserve</b>	To provide finance to assist in dealing with bids from local communities etc. to take over running services from the Council.	Executive to approve usage.	The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing/decreasing the balance or complete closure.

Name of Reserve & Purpose	Use of Reserve/Balance	Management and Control	Review Mechanism
<b>Riverside House Maintenance Reserve</b>	This reserve will be used to fund backlog maintenance on Riverside House.	Approval to spend from this reserve is delegated to the Heads of Housing and Property and Finance in consultation with the relevant portfolio holders.	The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing/decreasing the balance or complete closure. It is expected that this reserve will be liquidated during 2016/17.
<b>Services Transformation Reserve</b>	Reserve created to enable services to continue to be provided pending delivery of required savings and to finance "Fit for the Future" schemes so as to help the Council secure the savings needed in its medium term financial strategy.	The responsibility for the authorisation of expenditure from this reserve up to a maximum cost of £20,000 for any individual item of expenditure is delegated to the Change Programme's Senior Responsible Officer ( the Chief Executive ) in consultation with the S.151 Officer. Expenditure above £20,000 will be approved by the Executive.	The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing/decreasing the balance or complete closure.
<b>Tourism Reserve</b> To provide finance for initiatives relating to the Council's on-going promotion of tourism	Items to be financed from this reserve are charged to the Service Accounts during the year. An appropriate amount is then transferred to the General Fund as part of the final accounts process.	Authority to spend delegated to Deputy Chief Executive in consultation with the Development Services Portfolio Holder, Finance Portfolio Holder and S 151 Officer.	The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing/decreasing the balance or complete closure.
<b>Housing Revenue Account</b>			
<b>Housing Revenue Account</b> To provide a contingency reserve to protect the Housing Revenue Account against any unexpected, adverse, revenue or capital cash flows arising during the year.	The balance will be applied as necessary to finance housing landlord revenue or capital budget variations.	The budgets which affect the balance are monitored during the year by Finance and Housing with the effect on the balance being taken into account in future years' projections to ensure the balance conforms to minimum acceptable requirements within the Self Financing Business Plan.	The adequacy of the balance is assessed as part of reviewing the Self Financing Business Plan . The Self Financing Business Plan is based on maintaining a minimum £1.25m balance.
<b>HRA Early Retirement Reserve</b> To provide finance to cover the pension one off costs to the Housing Revenue Account as a result of the early retirement of Housing Service Officers and to provide finance to cover redundancy costs properly chargeable to the Housing Revenue Account.	Items to be financed from this reserve are charged to the Housing Revenue Account during the year and notified to Finance. An appropriate amount is then transferred to the Housing Revenue Account as part of the final accounts process.	Approval for expenditure to be met from this reserve is subject to a report to the Executive which previously has been agreed with Finance. The movements in and out of the reserve are monitored against the approved or expected pattern by Finance at least three times a year.	The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing/decreasing the balance or complete closure
<b>Housing Capital Investment Reserve</b> To provide finance for new build projects.	To provide finance for new build projects.	The budgets which affect the balance are monitored during the year by Finance and Housing with the effect on the balance being taken into account in future years' projections to ensure the balance conforms to minimum acceptable requirements within the Self Financing Business Plan in order to achieve the required number of new build homes.	The adequacy of the balance is assessed as part of reviewing the Self Financing Business Plan .
<b>Major Repairs Reserve</b> To provide funding for major capital works to the Council's housing stock	The relevant amount required to finance the Housing Revenue Account capital programme is transferred to the Capital Adjustment Account as part of the final accounts process.	The contribution made from this reserve towards capital expenditure is dictated by the developing needs of the HRA Self Financing Business Plan and will be reviewed as part of the formal Business Plan governance process.	The operation of this reserve will be reviewed as part of the ongoing monitoring of the Self Financing Business Plan..

**GENERAL FUND AND HOUSING REVENUE ACCOUNT RESERVES AND BALANCES**

**APPENDIX 6b**

Reserve	Use of Reserve 2017/18 to 2021/22	Estimated Balance 1/4/2017 £000	Estimated Balance 1/4/2018 £000	Estimated Balance 1/4/2019 £000	Estimated Balance 1/4/2020 £000	Estimated Balance 1/4/2021 £000	Estimated Balance 1/4/2022 £000
<b>EARMARKED RESERVES</b>							
<b>Art Fund Reserve</b>	No expenditure is currently projected from this reserve and it is estimated that £1k in public donations will be received in each year.	71	72	73	74	75	76
<b>Art Gallery Gift Reserve</b>	Currently there is no expenditure to be met from this reserve.	57	57	57	57	57	57
<b>Building Control Reserve</b>	Agreed expenditure is to fund marketing consultancy and scanning of paper files. Changes to building control salaries has contributed to the balance on the reserve.	229	218	203	203	203	203
<b>Business Rate Retention Volatility Reserve</b>	Reserve set up to "smooth" receipt of business rate income	445	138	3,207	3,695	2,998	2,319
<b>Capital Investment Reserve</b>	£807k RTB funding has been made available to cover capital (as oppose revenue) expenditure, this fully funds capital expenditure in 17/18 and 18/19 and funds £1k of the capital spend in 19/20, the remaining capital spend to be funded is the £150k Rural & Urban Initiatives in 19/20 and beyond. Revenue movements include Linen St Car Park improvements, Heritage Open Day funding, transfers to Leisure Options Reserve until contractor payments commence, development of Asset Management programme of disposals and acquisitions and salary costs of Leisure Services Programme Managerstaff and temp Conservation Officer. Transfers to the reserve are for the payback of financing wheelie bins and cremators, footpath diversion fee, Rural & Urban Initiatives funding and 17/18 budget surplus.	1,833	1,470	1,149	1,299	1,299	1,337
<b>Car Park Displacement Reserve</b>	substantial work is required to be carried out in respect of some of the Council's car parks in forthcoming years. There will be some costs for arranging alternative parking arrangements, along with possible loss of income	0	100	130	0	0	0
<b>Car Parking Repairs and Maintenance Reserve</b>	Reserve created in order to provide resources for future years repairs and maintenance programmes.	790	470	508	546	584	622
<b>Cemetery Land Purchase Reserve</b>	Reserve established to provide finance for the purchase of land for cemetery extensions. Currently no such purchases are included in the General Fund Capital Programme. Contributions to the reserve will be provided for by a surcharge imposed on out of area burial fees.	3	3	3	3	3	3
<b>Commonwealth Games (Bowls) Reserve</b>	To set aside funds towards funding the project in future years.	0	0	100	100	100	100
<b>Community Forums Reserve</b>	Reserve created from 2013/14 New Homes Bonus to provide finance for the Community Forum Grants from 2014/15 to 2017/18, £31k slipped to 2018/19.	71	31	0	0	0	0
<b>Community Projects Reserve</b>	Reserve created from 2017/18 and 2018/19 New Homes Bonus to provide finance for various District wide community projects.	0	141	1,447	1,447	1,447	1,447
<b>Corporate Assets Reserve</b>	Reserve created from 2012/13 budget surplus to provide finance for refurbishing facilities following the Stock Condition Survey.	2,379	2,359	2,359	2,359	2,359	2,359

**GENERAL FUND AND HOUSING REVENUE ACCOUNT RESERVES AND BALANCES****APPENDIX 6b**

Reserve	Use of Reserve 2017/18 to 2021/22	Estimated Balance 1/4/2017 £000	Estimated Balance 1/4/2018 £000	Estimated Balance 1/4/2019 £000	Estimated Balance 1/4/2020 £000	Estimated Balance 1/4/2021 £000	Estimated Balance 1/4/2022 £000
<b>Covent Garden Multi Storey Reserve</b>	Reserve created from 2015/16 budget surplus to subsidise the lost car park income from Covent Garden MSCP until rebuilt following expected demolition as part of the New Offices project. The reserve will also cover the initial debt financing costs on borrowing to be taken out to finance the rebuild.	900	900	900	665	485	485

**GENERAL FUND AND HOUSING REVENUE ACCOUNT RESERVES AND BALANCES**

**APPENDIX 6b**

Reserve	Use of Reserve 2017/18 to 2021/22	Estimated Balance 1/4/2017 £000	Estimated Balance 1/4/2018 £000	Estimated Balance 1/4/2019 £000	Estimated Balance 1/4/2020 £000	Estimated Balance 1/4/2021 £000	Estimated Balance 1/4/2022 £000
<b>Election Expenses Reserve</b>	£30k per annum will be credited to the reserve to help defray the costs of the May 2019 election.	45	75	105	25	55	85
<b>Energy Management Reserve</b>	The final contributions back to the reserve in respect of Linen Street MSCP lighting improvements will be made in 2017/18 when the scheme will be fully paid back.	109	112	112	112	112	112
<b>Enterprise Projects Reserve</b>	Reserve set up to "smooth" future years surplus/deficits, currently only contributions to the reserve are forecast	82	106	130	153	177	201
<b>Equipment Renewal Reserve</b>	Projects will be approved by SMT, Chief Executive and relevant Portfolio Holders prior to going ahead. The reserve will receive top ups of £100k per annum in 2019/20, 2020/21 and 2021/22 and is being used to support a number of projects details in a separate appendix.	782	664	627	690	755	819
<b>General Fund Early Retirements Reserve</b>	The reserve will receive a top up of £200k from the New Homes Bonus and projected budget surplus in 2017/18. It will be used to fund civil contingencies officer and crematorium weekend assistant costs.	33	218	218	218	218	218
<b>Harbury Lane Reserve</b>	A reserve has been created over a number of years to fund this project; of which £84,000 is unspent in the 2017/18 budget. These monies will be transferred to the proposed Harbury Lane Reserve towards future funding requirements.	0	84	84	84	84	84
<b>Hill Close Gardens Reserve</b>	Reserve created from 15/16 New Homes Bonus and will be used to make payments to the Hill Close Gardens Trust for ongoing expenditure until exhausted.	60	40	20	0	0	0
<b>Homelessness Prevention Reserve</b>	In March 2017, the Government announced that this Council would receive Flexible Homelessness Support Grant £275,000 in 2017/18 and £340,500 in 2018/19 towards Homelessness Prevention	0	275	576	576	576	576
<b>ICT Replacement Reserve</b>	This reserve is to provide for planned ICT replacements.	507	351	100	100	85	-35
<b>Insurance Reserve</b>	This reserve will be used to cover self insurance against claims and to provide finance for security improvements as and when they arise.	292	292	292	292	292	292
<b>Investment Volatility Reserve</b>	Set up to capture a portion of the gain on corporate equity funds to be used to smooth possible future fluctuations	0	100	100	100	100	100
<b>Leisure Options Reserve</b>	This reserve will be used to cover the lost income and make a contribution towards the initial debt charges arising from the Leisure Centre refurbishment programme.	2,057	1,566	419	419	419	419


**GENERAL FUND AND HOUSING REVENUE ACCOUNT RESERVES AND BALANCES**

**APPENDIX 6b**

Reserve	Use of Reserve 2017/18 to 2021/22	Estimated Balance 1/4/2017 £000	Estimated Balance 1/4/2018 £000	Estimated Balance 1/4/2019 £000	Estimated Balance 1/4/2020 £000	Estimated Balance 1/4/2021 £000	Estimated Balance 1/4/2022 £000
<b>Local Plan Delivery Reserve</b>		149	149	149	149	149	149
<b>Other Commuted Sums Reserve</b>	This will fund green spaces development officer and team leader posts.	548	485	412	338	265	192
<b>Planning Appeal Reserve</b>	This is funding Jury St judicial review costs, additional allocation and consultancy for Local Plan, Kenilworth development brief and site development officer.	470	294	236	186	166	166
<b>Public Amenity Reserve</b>	This reserve will provide the finance for the play equipment capital programme.	539	469	469	469	469	469
<b>Public Open Spaces Planning Gain Reserve</b>	Reserve receives S106 Planning Development contributions for one -off improvement of Public Open Spaces.	958	679	425	425	425	425
<b>Rent Bond Scheme Reserve</b>	Reserve created to provide finance for guaranteeing 1 month's rent in order to assist households who are homeless, threatened with homelessness or in housing need.	22	22	22	22	22	22
<b>Right to Bid Reserve</b>	The 2011 Localism Act introduced a requirement for the Council to list community assets. Using grants provided by the DCLG, this reserve has been established to assist with any compensation claims arising from listing.	20	20	20	20	20	20
<b>Right to Challenge Reserve</b>	Reserve created from central government grant to assist in dealing with applications to take over the running of Council services.	26	26	26	26	26	26
<b>Riverside House Maintenance Reserve</b>	Reserve used to fund backlog maintenance on Riverside House in 2016/17.	30	30	30	30	30	30
<b>Services Transformation Reserve</b>	Various approvals for Fit for the Future experiments have been agreed from this reserve including funding for the new offices project, RSH scanning project, staff engagement activities, Prosperity Agenda research resource and engaging PAS, Regulatory Team ICT, individual electoral registration costs, Priority Families, Sports & Leisure Options, buy out of essential car user allowance, Capita Digital Transformation, advertising and sponsorship, women's cycle tour, Transforming our Workplace, performance management improvements, Newbold Comyn business plan analysis, Playbox Theatre business plan analysis, CSC project, additional Procurement Officer, Revenues Officer, two temp staff to assist the redesign of the Asset Management Team, team car parks project manager, additional hours for Senior HR and Learning & Development Officers.	1,223	682	416	409	409	409
<b>Tourism Reserve</b>	Reserve established to help fund tourism initiatives within the District e.g. Bowls Championships advertising.	39	39	39	39	39	39
<b>Planning Investment Reserve</b>	Creation of a reserve into which the 20% uplift in planning fees will be allocated.	0	0	0	0	0	0
<b>GENERAL FUND TOTAL</b>		14,769	12,737	15,163	15,330	14,503	13,826

**GENERAL FUND AND HOUSING REVENUE ACCOUNT RESERVES AND BALANCES****APPENDIX 6b**

Reserve	Use of Reserve 2017/18 to 2021/22	Estimated Balance 1/4/2017 £000	Estimated Balance 1/4/2018 £000	Estimated Balance 1/4/2019 £000	Estimated Balance 1/4/2020 £000	Estimated Balance 1/4/2021 £000	Estimated Balance 1/4/2022 £000
<b>BALANCES</b>							
<b>General Fund</b>	A core balance of around £1.5m will be maintained as a contingency reserve.	1,599	1,499	1,499	1,499	1,499	1,499
<b>HOUSING REVENUE ACCOUNT</b>							
<b>Housing Capital Investment Reserve</b>	Under self financing, this reserve provides the finance for investment in new housing stock	22,932	27,547	32,116	36,686	41,255	45,824
<b>Housing Early Retirements Reserve</b>	Contributions of £8k in each year will be made.	22,932	27,316	31,584	36,457	41,467	46,503
<b>Housing Revenue Account</b>	To provide a contingency reserve to protect the Housing Revenue Account against adverse in year revenue or capital cash flows arising from unexpected major repairs etc.	1,400	1,425	1,454	1,483	1,512	1,543
<b>Major Repairs Reserve</b>	Under Self Financing this reserve provides the major element of funding for capital maintenance works to the Council's housing stock.	6,782	7,060	9,029	11,087	13,239	14,818
<b>HOUSING REVENUE ACCOUNT TOTAL</b>		54,046	63,347	74,183	85,713	97,473	108,688

 <b>Finance &amp; Audit Scrutiny Committee</b> <b>4 April 2018</b>		<b>Agenda Item No.</b> <div style="font-size: 2em; text-align: center;"><b>7</b></div>
<b>Title</b>	<b>End of Term Report 2017/18</b>	
<b>For further information about this report please contact</b>	Amy Barnes Senior Committee Services Officer 01926 456114 <a href="mailto:committee@warwickdc.gov.uk">committee@warwickdc.gov.uk</a>	
<b>Wards of the District directly affected</b>	n/a	
<b>Is the report private and confidential and not for publication by virtue of a paragraph of schedule 12A of the Local Government Act 1972, following the Local Government (Access to Information) (Variation) Order 2006?</b>	No	
<b>Date and meeting when issue was last considered and relevant minute number</b>	n/a	
<b>Background Papers</b>	Minutes of all 2016/17 Finance & Audit Scrutiny Committee meetings	

<b>Contrary to the policy framework:</b>	No
<b>Contrary to the budgetary framework:</b>	No
<b>Key Decision?</b>	No
<b>Included within the Forward Plan? (If yes include reference number)</b>	No
<b>Equality &amp; Sustainability Impact Assessment Undertaken</b>	n/a

<b>Officer/Councillor Approval</b>		
<b>Officer Approval</b>	<b>Date</b>	<b>Name</b>
Chief Executive/Deputy		Chris Elliott
Head of Service		Andrew Jones
CMT		Bill Hunt
Section 151 Officer		Mike Snow
Monitoring Officer		Graham Leach
Finance		
Portfolio Holder(s)		Cllr Mobbs
<b>Consultation &amp; Community Engagement</b>		
<b>Final Decision?</b>		
This report is for recommendation to Council.		

## **1. Summary**

- 1.1 An end of term report to the Council on the work the Committee has undertaken during the 2017/18 municipal year.

## **2. Recommendation**

- 2.1 It is recommended to Council that the list of matters considered by this Committee during the municipal year 2017/18, as detailed in the Appendix to the report, be noted.

## **3. Reasons for the Recommendation**

- 3.1 Under Article 6 of the Council's Constitution, Overview and Scrutiny Committees and Policy Committees are required to provide an end of term report to the Council on work they have undertaken during the year.
- 3.2 This report will be updated to include items considered at the 4 April 2018 meeting of the Committee, prior to it being presented to Council.

## **4. Policy Framework**

- 4.1 The recommendations of the report do not affect the Council's policy framework.
- 4.2 Fit for the Future - This report is made annually as a matter of good practice and Council policy.

## **5. Budgetary Framework**

- 5.1 The recommendations of the report do not affect the Council's budgetary framework.

## **6. Risks**

- 6.1 There are no risks associated with this report.

## **7. Alternative Option(s) considered**

- 7.1 There are no alternative options as this report complies with the requirements of Article 6 of the Council's Constitution.

## **8. Background**

- 8.1 The decision to include end of term reports for scrutiny committees was taken and has been an agenda item at the last meeting of the municipal year ever since.
- 8.2 In total the Finance & Audit Scrutiny Committee have considered 19 Audit items, 12 Scrutiny items and 42 Executive items as of March 2018.
- 8.3 Within this, the Committee have scrutinised three contract registers and three risk registers.

## Items considered by Finance & Audit Scrutiny Committee 2017/18

### **AUDIT ITEMS**

#### 2017

- Annual Treasury Management Report
- Treasury Management Activity Report for the period 1 October to 31 March 2017
- Housing Benefits & Council Tax Reduction – Risk Based Verification Review – P&C
- Audited Statement of Accounts
- Anti-Fraud & Corruption Progress Report 2016/17
- Statement of Accounts and Audit Findings Report 2016/17
- Risk Management Annual Report 2016-17
- Internal Audit Strategic Plan 2017/18 – 2019/20: ICT Update
- Internal Audit Quarter 1 2017/18 Progress Report
- Annual Governance Statement 2016/17 Action Plan: Review of Progress
- National Fraud Initiative Update
- Treasury Management Activity Report for the period 1 April to 30 September 2017
- Internal Audit Quarter 2 2017/18 Progress Report
- Annual Governance Statement 2016/17 Action Plan: Review of Progress

#### 2018

- External Audit
- Internal Audit Quarter 3 2017/18 Progress Report
- Internal Audit Strategic Plan 2018/19 – 2020/21 and Internal Audit Charter
- Annual Governance Statement 2016/17 Action Plan: Review of Progress
- External Audit Update – P&C Appendices A & B

### **SCRUTINY ITEMS**

- Electrical Contract – Follow Up Discussion
- Procurement Strategy Half Year Update
- Warwick District Infrastructure Delivery Plan (IDP)
- Fraud Investigation Performance Report
- Review of the Assigning of Parent Company Guarantees and Other Types of Securities to Council Contracts
- Review of Reserves (deferred to April 2018)

**Contract Registers**    Neighbourhood Services  
                                  Finance  
                                  Chief Executive's

**Risk Registers**        Development Services  
                                  Health & Community Protection  
                                  Cultural Services

(Items considered by the Committee on 4 April 2018 will be added to the list prior to the report's presentation to Council)

## **ROUTINE ITEMS**

- Comments from the Executive
- Review of the Work Programme & Forward Plan

## **EXECUTIVE ITEMS CONSIDERED BY THE COMMITTEE**

### **June 2017**

Review of Warwick District Council Members' Allowance Scheme  
St Mary's Lands Masterplan and Update on Progress of Delivery Plan  
Whitnash Community Hub  
Transforming our Workplace Budget Provision

### **July 2017**

Final Accounts 2016/17  
Improvements in Royal Pump Rooms  
Significant Business Risk Register

### **August 2017**

Budget Review to 30 June 2017  
Proposed Housing Financial Assistance Policy  
Procurement Exemption for WDC CVS Commissioned Contract 2015/18  
Corporate Asset Management Strategy - Update Report  
Mallory Grange Affordable Housing – P&C  
Car Park Fees and Charges 2018

### **September 2017**

Fees & Charges 2018/19  
Risk Management Annual Report 2016-17

### **October 2017**

Tach Brook Country Park  
Europa Way – Update  
Royal Naval Association Club – P&C  
Significant Business Risk Register  
100% Business Rate Retention Pooling Pilot  
Arrangements for Civic Transport & Support

### **November 2017**

Housing Revenue Account (HRA) Budgets Latest 2017/18 and Base 2018/19  
Corporate Apprenticeship Scheme  
General Fund Base Budgets 2018/19

### **January 2018**

Procurement Partnership and Staffing  
Urgent Item – Newbold Comyn Golf Course  
Homelessness Initiatives and the New Legislation

### **February 2018**

Proposed purchase of the site of the former Stoneleigh Arms, Royal Leamington Spa – P&C  
Investment in Newbold Comyn Arms Manor House – P&C  
Investment in Playbox Theatre – P&C  
Beauchamp House – 77-79 Coten End – P&C & Urgent item  
2018/19 General Fund Budget & Council Tax  
Treasury Management Strategy 2018/19

Private Sector Leasing Scheme  
Housing Revenue Account (HRA) Budget 2018/19 and Housing Rents  
Heating, Lighting and Water Charges 2018/19 – Council Tenants  
Significant Business Risk Register


**March 2018**

Newbold Comyn Golf Course – Proposed Next Steps  
Newbold Comyn Golf Course – Negotiated Settlement with Mack Trading (Heaton  
Park) Limited – P&C  
Commonwealth Games 2022  
Rural and Urban Capital Improvement Scheme (RUCIS) Application  
Local Code of Corporate Governance

(Items considered by the Committee on 4 April 2018 will be added prior to the reports  
presentation to Council)

**April 2018**

TBC

	<b>Finance &amp; Audit Scrutiny Committee – 4 April 2018</b>	<b>Agenda Item No. 8</b>
<b>Title</b>	Work Programme, Forward Plan & Comments from Executive	
<b>For further information about this report please contact</b>	Amy Barnes, Senior Committee Services Officer, 01926 456114 or <a href="mailto:committee@warwickdc.gov.uk">committee@warwickdc.gov.uk</a>	
<b>Wards of the District directly affected</b>	N/A	
<b>Is the report private and confidential and not for publication by virtue of a paragraph of schedule 12A of the Local Government Act 1972, following the Local Government (Access to Information) (Variation) Order 2006?</b>	No	
<b>Date and meeting when issue was last considered and relevant minute number</b>	6 March 2018	
<b>Background Papers</b>	N/A	
This report is produced for Scrutiny meetings for governance purposes. It is part of the process for ensuring that the Council is held to account for the decisions it makes or may make.		

## 1. Summary

- 1.1 This report informs the Committee of its work programme for 2018 (Appendix 1) and of the current [Forward Plan - April to July 2018](#)
- 1.2 In addition, it provides the Committee with the response that the Executive gave to its comments regarding the reports submitted to the Executive on 7 March 2018 (to follow).

## 2. Recommendation

- 2.1 Members consider the work programme (Appendix 1) and agree any changes as appropriate.
- 2.2 The Committee to; identify any Executive items on the Forward Plan which it wishes to have an input before the Executive makes its decision; and to nominate a Member to investigate that future decision and report back to the Committee.
- 2.3 Members note the responses made by the Executive on the Comments from the Executive report (to follow).

## 3. Reasons for the Recommendation

- 3.1 The work programme should be updated at each meeting to accurately reflect the workload of the Committee.
- 3.2 Two of the five main roles of overview and scrutiny in local government are to undertake pre-decision scrutiny of Executive decisions and to feed into policy development.

- 3.3 If the Committee has an interest in a future decision to be made by the Executive, or policy to be implemented, it is within the Committee's remit to feed into the process.
- 3.4 The Forward Plan is actually the future work programme for the Executive. If a non-executive member highlighted a decision(s) which is to be taken by the Executive which they would like to be involved in, that member(s) could then provide useful background to the Committee when the report is submitted to the Executive and they are passing comment on it.
- 3.5 Appendix 2, Comments from Executive, is produced to create a dialogue between the Executive and the Finance & Audit Scrutiny Committee. It ensures that the Finance & Audit Scrutiny Committee are formally made aware of the Executive's responses.
- 3.6 Where the Finance & Audit Scrutiny Committee have made a recommendation as opposed to a comment the Executive are required to respond to the recommendation(s) made, including whether or not they accept the recommendation(s).

#### 4. **Background**

- 4.1 The five main roles of overview and scrutiny in local government are: holding to account; performance management; policy review; policy development; and external scrutiny.
- 4.2 The pre-decision scrutiny of Executive decisions falls within the role of 'holding to account'. To feed into the pre-decision scrutiny of Executive decisions, the Committee needs to examine the Council's Forward Plan and identify items which it would like to have an impact upon.
- 4.3 The Council's Forward Plan is published on a monthly basis and sets out the key decisions to be taken by the Council in the next twelve months. The Council only has a statutory duty to publish key decisions to be taken in the next four months. However, the Forward Plan was expanded to a twelve month period to give a clearer picture of how and when the Council will be making important decisions.
- 4.4 A key decision is a decision which has a significant impact or effect on two or more wards and/or a budgetary effect of £50,000 or more.
- 4.5 The Forward Plan also identifies non-key decisions to be made by the Council in the next twelve months, and the Committee, if it wishes, may also pre-scrutinise these decisions.
- 4.6 There may also be policies identified on the Forward Plan, either as key or non-key decisions, which the Committee could pre-scrutinise and have an impact upon how these are formulated.
- 4.7 The Committee should be mindful that any work it wishes to undertake would need to be undertaken without the need to change the timescales as set out within the Forward Plan.
- 4.8 At each meeting, the Committee will consider their work programme and make amendments where necessary, and also make comments on specific Executive items, where notice has been given by 9am on the day of the Finance & Audit

Scrutiny Committee meeting. The Committee will also receive a report detailing the response from the Executive, on the comments the Committee made on the Executive agenda in the previous cycle.

- 4.9 The Forward Plan is considered at each meeting and allows the Committee to look at future items and become involved in those Executive decisions to be taken, if members so wish.
- 4.10 As part of the new scrutiny process, the Committee is no longer considering the whole of the Executive agenda.
- 4.11 At its most recent meeting, the Committee considered the items detailed in appendix 2. The response the Executive gave on each item is also shown.
- 4.12 In reviewing these responses Committee can identify any issues for which they would like a progress report. A future report, for example on how the decision has been implemented, would then be submitted to the Committee at an agreed date which would then be incorporated within the Work Programme.

## **Finance and Audit Scrutiny Committee WORK PROGRAMME 2017/18**

### **4 April 2018**

1	Procurement Strategy Annual Review	Audit Item	John Roberts
2	End of Term Report (to include review of 2018/19 work programme)	Scrutiny Item	Amy Barnes / Chair
3	Health & Community Protection – Contracts Register	Scrutiny Item	Marianne Rolfe
4	Significant Business Risk Register (carried over from March meeting)	Audit Item	Richard Barr
5	Review of Reserves (carried over from March meeting)	Scrutiny Item	Mike Snow

### **30 May 2018**

1	Annual Governance Statement	Audit Item	Richard Barr
2	Internal Audit Quarter 4 Progress Report	Audit Item	Richard Barr
3	Significant Business Risk Register	Audit Item	Richard Barr
4	Service Area Review (Finance) – includes Budget, Contract & Risk register review	Scrutiny Item	Mike Snow

### **June 2018**

1	Treasury Management Annual report	Audit Item	Karen Allison
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### **Autumn 2018**

1	Review of the Assigning of PCG's & other securities – update following submission to SMT	Audit Item	Richard Barr / Mike Snow
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