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To: MEMBERS OF THE STRATEGY & RESOURCES COMMITTEE
Councillors Bourne (Chair), Langton (Vice-Chair), Black, Bloore, Botten, Caulcott, Cooper, Davies, Elias, Gillman, Pursehouse and Stamp

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Substitute Councillors: Allen, Groves, Morrow and Sayer

C.C. All Other Members of the Council

30 March 2022

Dear Sir/Madam

STRATEGY & RESOURCES COMMITTEE THURSDAY, 7TH APRIL, 2022 AT 7.30 PM

The agenda for this meeting of the Committee to be held in the Council Chamber, Council Offices, Station Road East, Oxted is set out below. If a member of the Committee is unable to attend the meeting, please notify officers accordingly.

Should members require clarification about any item of business, they are urged to contact officers before the meeting. In this respect, reports contain authors' names and contact details.

If a Member of the Council, not being a member of the Committee, proposes to attend the meeting, please let the officers know by no later than noon on the day of the meeting.

Yours faithfully,

David Ford
Chief Executive

AGENDA

- 1. Apologies for absence (if any)**
- 2. Declarations of interest**

All Members present are required to declare, at this point in the meeting or as soon as possible thereafter:

- (i) any Disclosable Pecuniary Interests (DPIs) and / or
- (ii) other interests arising under the Code of Conduct

in respect of any item(s) of business being considered at the meeting. Anyone with a DPI must, unless a dispensation has been granted, withdraw from the meeting during consideration of the relevant item of business. If in doubt, advice should be sought from the Monitoring Officer or her staff prior to the meeting.

- 3. Minutes of the meeting held on the 1st February 2022 (Pages 3 - 12)**

To confirm as a correct record.

4. **To deal with any questions submitted under Standing Order 30**
5. **Strategy & Resources Committee - 2022/23 Budget – Tranche 2 Pressure and Savings Distribution** (Pages 13 - 26)
6. **Strategy & Resources Q3 2021-2022 Performance Report** (Pages 27 - 60)
7. **Future Tandridge Programme - progress update**
To receive a presentation regarding the progress of the Future Tandridge Programme
8. **Procurement update / Contract Standing Orders** (Pages 61 - 116)
9. **Proposed Consultation on the Council Election Cycle** (Pages 117 - 168)
10. **Any urgent business**
To deal with any other item(s) which, in the opinion of the Chair, should be considered as a matter of urgency in accordance with Section 100B(4)(b) of the Local Government Act 1972.

TANDRIDGE DISTRICT COUNCIL

STRATEGY & RESOURCES COMMITTEE

Minutes and report to Council of the meeting of the Committee held in the Council Chamber, Council Offices, Station Road East, Oxted on the 1st February 2022 at 7.30pm.

PRESENT: Councillors Bourne (Chair), Langton (Vice-Chair), Black**, Bloore, Botten, Caulcott, Cooper**, Davies, Elias, Gillman, Groves (substitute), Pursehouse and Stamp

ALSO PRESENT: Councillors Farr*, Lockwood*, Moore*, Morrow, Ridge, Sayer, Steeds, Swann*, N.White and Wren*

** while members of the Committee, Councillors Black and Cooper participated via Zoom and, therefore, could not vote

* non-committee members who participated via Zoom

253. MINUTES OF THE MEETING HELD ON 11TH JANUARY 2022

These minutes were confirmed and signed as a correct record.

254. CHIEF OFFICER SUB-COMMITTEE - 13TH JANUARY 2022

RESOLVED – that the minutes of this meeting attached at Appendix A, be received.

255. INVESTMENT SUB-COMMITTEE - 21ST JANUARY 2022

As stated within the minutes at Appendix B, this meeting was inquorate by virtue of Standing Order 22(3) which required three Sub-Committee members (or designated substitutes in their absence) to be present for the purposes of a quorum. Therefore, the Sub-Committee could only make recommendations to the Strategy & Resources Committee. In any event, the matters referred to in items 4 and 5 of the minutes could only be determined by the Strategy & Resources Committee and Full Council respectively, regardless of the quorum situation.

RESOLVED – that the minutes of this meeting, attached at Appendix B, be received and the recommendations contained in items 2, 3 and 5 be adopted.

COUNCIL DECISION

(subject to ratification by Council)

RECOMMENDED – that, in respect of Item 4 of the Sub-Committee's minutes, the Capital, Investment and Treasury Management Strategy, amended by the revision to the capital programme referred to in recommendation J of Minute 257 below (additional provision of £150,000 in each of the years 2022/23 to 2034/25 for the refurbishment of public conveniences) be approved.

Note: The updated strategy can be viewed via the following link:

<https://www.tandridge.gov.uk/Portals/0/Documents/Capital-Investment-TM-Strat.pdf>

256. STRATEGY & RESOURCES COMMITTEE 22/23 DRAFT BUDGET

A proposed draft 2022/23 revenue budget and capital programme for the Committee was presented. This explained that, due to current capacity constraints, a pragmatic approach had been taken regarding the distribution of pressures and savings to achieve a balanced budget position for 2022/23, namely:

Tranche 1 – savings and pressures which were straightforward to allocate.

Tranche 2 – those requiring more time to allocate correctly to each committee, including £367k of pressures (£193k of staffing increments and £174k of contract inflation) plus savings of £200k regarding staff vacancies. These were being held as 'corporate items' pending consideration during the next cycle of committee meetings.

Tranche 3 – the more complex cross-cutting savings totalling £450k, which would require service reviews and business cases to ensure accurate distribution to committees. The recently established Benefits Board would oversee this process to ensure that the benefits were being defined, owned and delivered. These budgeted savings were being held as 'corporate items' pending consideration during the June cycle of committee meetings.

Officers responded to questions about the reassignment of salary costs within the services falling under the Committee's remit. During the debate, Councillors requested that the following information be provided to Committee members after the meeting:

- a breakdown of the 'Council Offices major works' element of the capital programme to highlight why provision has increased from £25,000 in 21/22 to £50,000 in 22/23 (this provision is part of a 25-year planned maintenance programme to enable compliance with legislative and health & safety requirements)
- a breakdown of the 'IT hardware / infrastructure / projects' element of the capital programme
- an explanation of the increased revenue costs allocated to legal services for 2021/22 (from £346,400 to £530,600)

RESOLVED – that

- A. the restructure of 2021/22 budgets between Strategy & Resources and corporate items to realign spend between Strategy & Resources and corporate items be agreed to ensure it is correctly reflected, and to take account of some of the recommendations from the Grant Thornton review - this will provide a stable basis for the 2022/23 budget and will ensure opening balances are correct (Appendix C refers);
- B. the Strategy & Resources draft revenue budget for 2022/23 of £6.3m as attached at Appendix D, which takes account of pressures and savings allocated as part of Tranche 1, be agreed, and it be noted that two further tranches of pressures and savings currently held in corporate items on behalf of other Committees will be distributed over the coming months;
- C. the corporate items (£0.6m) in the draft revenue budget for 2022/23 (Appendix D) be agreed and it be noted that two further tranches of pressures and savings currently held in corporate items on behalf of other Committees will be distributed over the coming months;

- D. the Committee’s final Capital Programme for 2022/23 at Appendix E, in the sum of £1.8m, be agreed;
- E. the subjective revenue budgets in Appendix F, noting movements from 2020/21 to 2022/23 and an estimated movement to 2023/24, be noted;
- F. it be noted that, due to timing and capacity constraints across the Council, c£0.7m of savings (as part of a £1.1m savings programme) and c£0.4m of pressures could not be allocated in time for January and February committee cycle and, as such, they will be allocated in three tranches as follows:
- Tranche 1 which are directly attributable to the committee have been allocated as per Appendix D;
 - Tranche 2 will be brought to the March committee cycle for approval; and
 - Tranche 3 will be overseen and monitored by the Benefits Board and will be brought to the June committee cycle for approval.

ACTION:

		Officer responsible for ensuring completion	Deadline
1	Committee members to be provided with a breakdown of the ‘Council Offices major works’ element of the capital programme to highlight why provision has increased from £25,000 in 21/22 to £50,000 in 22/23	Alison Boote	not specified
2	Committee members to be provided with a breakdown of the ‘IT hardware / infrastructure / projects’ element of the capital programme	Melanie Thompson	
3	Committee members to be provided with explanation of the increased costs allocated to legal services for 2021/22	Verity Royal / Lidia Harrison	

257. 2022/23 FINAL BUDGET AND 2023/24 MTFS

A report was presented with proposals for a balanced budget and Medium Term Financial Strategy without the use of reserves. This followed consideration by the other policy committees of their respective elements of the budget during January. The report reflected upon recent improvements to the Council’s financial governance and management in light of:

- (i) the Tandridge Finance Transformation Programme
- (ii) Grant Thornton’s forensic and fact-finding review (the Council had accepted all 15 recommendations)
- (iii) the line-by-line review of the 2021/22 budgets

- (iv) a detailed review of the Council's financial management and reporting arrangements undertaken by an external independent professional, Laura Rowley (Appendix A to the report) to ensure a solid foundation on which to launch the finance transformation programme.

The outcome of (iii) and (iv) above provided confidence that the 2022/23 budget could be approved. It was also confirmed that the budget setting process had been assessed against a best practice framework, details of which were included within the report.

The report explained how organisational and departmental strategies were integral to the budget setting process, with reference to the strategic plan and committee strategies. It also assessed the implications of the single year finance settlement which councils had received from the Department of Levelling-Up, Housing and Communities (DLUHC), together with current macro-economic influences.

An analysis of the main changes to the draft revenue budget submitted to the 2nd December 2021 meeting (when a £307,000 deficit was forecast) was provided. The current balanced budget position had been achieved mainly via increased funding through the provisional settlement and the 2021/22 business rates pooling gain.

The report also included commentary on:

- reassignments of savings to committees since the December 2021 draft budget
- projected funding sources to 2023/24, including an assumed £5 Council Tax increase
- current projections for the 2021/22 budget. i.e.:
 - a full year deficit of £0.2m against the £11.3 million General Fund revenue budget
 - a £7.3 million underspend against the £27.6 million capital programme
- the medium term financial outlook to 2023/24 in light of projected growth pressures, funding reductions and the uncertainties surrounding anticipated national reforms of local government finance (i.e. the fair funding review; business rates reset; and social care reform)
- the development of the Capital Programme for 2022/23 to 2023/24
- the flexible use of capital receipts strategy for 2021/22 and 2022/23
- the adequacy of reserves and a risk mitigation strategy.

The Chief Finance Officer and Laura Rowley gave a presentation on the key messages regarding the 2022/23 budget and the review referred to at (iv) above. During the presentation, discussion focused on the Council's application to DLUHC for a capital dispensation to allow the use of capital to fund extraordinary revenue impacts without revenue implications. It was explained that a response was still awaited and that, if successful, the dispensation would enable greater flexibility to help fund the Future Tandridge Programme and to replenish reserves.

Laura Rowley's part of the presentation summarised her 21 findings and associated 'next steps', RAG rated according to Green (7), Amber (8) and Red (6). She also acknowledged that the second paragraph of her report should have been amended to correct the false impression that Tandridge had approached Surrey County Council for assistance in 2020. As stated in the minutes of the Committee's 2nd December 2021 meeting, Tandridge had, in fact, originally interviewed two candidates for the CFO vacancy, one of which was Anna D'Alessandro who was duly appointed and proceeded to lead the joint working with the County Council.

The Chief Finance Officer and Laura Rowley responded to questions following the presentation. This included confirmation that work on the 'Tranche 3' savings would begin forthwith and wouldn't need to wait until June when their budgetary allocation to committees would be considered.

Debate focused on the Council's three-year capital programme to 2024/25 and the current absence of provision for refurbishing public conveniences. It was proposed that £150,000 in each of the three years be added to the programme for this purpose, to be funded from capital receipts. However, Officers advised that such provision could be achieved by carrying forward an unspent £450,000 from the current year into the 2022/23 – 2024/25 programme as slippage, without having to incur additional financing costs. This course of action was agreed, and it was proposed and seconded that an additional recommendation be made to Full Council to that effect. Notwithstanding this amendment to the capital programme, Members confirmed the importance of implementing the previous decisions of the Community Services Committee (18th January 2022) to:

- pursue the possibility of Surrey County Council providing replacement WC facilities on the A22 Godstone Hill site and taking responsibility for their ongoing maintenance and repair at no cost to TDC; and
- explore opportunities for alternative methods of (public convenience) service delivery in consultation with Surrey County Council, Parish Councils and local businesses.

COUNCIL DECISIONS
(subject to ratification by Council)

RECOMMENDED – that:

- A. the independent report of the Council's financial management and reporting arrangements be noted;
- B. it be noted that, for the purpose of section 52ZB of the Local Government Finance Act 1992, the Council formally determines that the increase in Council Tax is not such as to trigger a referendum (i.e. not greater than £5);
- C. it be noted that the Local Council Tax Support Scheme is unchanged for financial year 2022/23;
- D. the Parish Councils' precept requirements for 2022/23 at Appendix G be noted;
- E. it be noted that the Council is embarking on the Future Tandridge Programme and £450k savings within the 2022/23 budget are to be distributed in June as tranche 3;
- F. the impact of the financial strategy to build the General Fund reserves after 2022/23, via a £0.5m contribution per annum, be noted (prior to a decision from DULHC on the capitalisation dispensation, the General Fund balance at 31st March 2023 is projected to stand at to £3.1m, as per Appendix H);
- G. the net revenue budget requirement be set at £11.351million (net cost of services after service specific government grants) for 2022/23 (Appendix I), subject to confirmation of the final local government financial settlement;
- H. the final budget envelopes for each Committee for 2022/23 as at tranche 1 (Appendices I and J) be approved;

- I. subject to J below, the £35.4 million proposed three-year capital programme at Appendix D to the report be approved (comprising £4.3m General Fund, £3.1m Community Infrastructure Levy and £28.0m Housing Revenue Account) of which £16.0 million is for 2022/23;
- J. £450,000 of the current underspend in the Community Services Committee's 2021/22 capital programme be carried forward to provide provisions of £150,000 per annum in each of the three years 2022/23 to 2024/25 for refurbishments to public conveniences (the revised capital programme at Appendix K to these minutes refers);
- K. the Flexible Use of Capital Receipts Strategy for 2021/22 & 2022/23 at Appendix L be approved (to meet the statutory guidelines for the use of such receipts to fund transformation and, if successful, utilisation of the capital dispensation);
- L. the total Council Tax requirement be set at £8.9 million for 2022/23, based on a Council Tax increase of £5 to cover core Council services (Appendix M);
- M. the Council sets the precept for Band D Council Tax at £230.98, which represents a £5 uplift. (This is a rise of £0.10 a week from the 2021/22 precept of £225.98.) A full list of bands is as follows:

Valuation band	Precept
A	£153.98
B	£179.65
C	£205.31
D	£230.98
E	£282.30
F	£333.63
G	£384.96
H	£461.96

258. PAYMENTS FROM CUSTOMERS AND DEBT MANAGEMENT POLICY

A proposed policy, aimed at improving the administration of income due to the Council, was considered. The objective was to maximise the recovery of income and minimise the amount of aged debt that needs to be written-off, thereby improving the Council's cashflow and total income raised.

The covering report explained that the policy had been drafted in the context of the Council's statement of accounts at 1st April 2021, which showed that the amount owed by debtors was £6.3 million (£6.5 million including Housing Benefit overpayments). This was a significantly high proportion of the Council's revenue budget. The report highlighted the following key changes from previous practice:

- the Council's policy documents for all its main income streams had been edited, simplified, made consistent and brought together in one place.
- the Council's associated operational procedures for taking recovery action had been reviewed – the Chief Finance Officer (CFO), under her delegated powers, would issue updated operational procedures for the efficient and effective administration of income and the recovery of aged debt.

- the CFO, under her delegated powers, would issue an updated operational procedure for the writing-off of bad debt against the Council's provisions for bad debt.
- the CFO would implement a requirement for a report on the reason for, and level of, write-offs of bad debt to be presented to the Strategy & Resources and other relevant committees on a quarterly basis.

The CFO acknowledged that, while the policy addressed concerns previously raised by the Audit & Scrutiny Committee (i.e. by instigating processes to recover arrears and to prevent a reoccurrence of significant accumulations of aged debt) dedicated staffing would be required to implement it. She explained that a self-financing business case for such resources would be submitted to a future meeting.

COUNCIL DECISION

(subject to ratification by Council)

RECOMMENDED – that the 'Payments from Customers and Debt Management Policy', attached at Appendix N, be approved.

259. IMPROVING TDC'S FINANCIAL MANAGEMENT AND REPORTING ARRANGEMENTS - FINANCIAL REGULATIONS

A report was submitted which highlighted the need to change the Council's Financial Regulations because the current version did not meet CIPFA (Chartered Institute of Public Finance and Accountancy) standards. A detailed review had therefore been undertaken, resulting in proposed new Financial Regulations which sought to clarify:

- the responsibilities of Council and Committees in respect of key strategic financial management activities such as the setting and monitoring of budgets, the closing of accounts, and good governance;
- the responsibilities of Officers for managing budgets, authorising transactions, safe custody of assets, financial accounting and reporting requirements and similar matters; and
- operational procedures associated with the above responsibilities and measures to increase the accountability of Officers for budgetary control and the effective use and custody of other assets for which they are responsible.

Upon introducing the draft replacement Financial Regulations, the Head of Legal advised that further amendments would be required, including the reinstatement of the current FR17 which governed the purchase of assets via the Investment & Development Fund and the Housing Revenue Account. Further suggestions were made by Members, including:

- additional wording for situations where the Council is responsible for spending grants awarded by third parties; and
- a scheme of delegation to define the limits of expenditure which budget holders are authorised to sign off (in this respect, the Chief Finance Officer advised that all budget holders would be required to sign an annual accountability statement).

RESOLVED – that the adoption of new Financial Regulations be deferred, pending consideration of a revised version to be submitted to the Committee's next meeting on the 7th April 2022.

260. FUTURE TANDRIDGE PROGRAMME

The Chief Executive presented a report which explained the need for the Council to become a smaller, more strategic and agile organisation, with resources targeted at key priorities, underpinned by a new business model. This was in light of the various challenges facing the Council, including the need to achieve budgeted savings during the next two years and become financially sustainable. The Future Tandrige Programme (FTP) had been designed to deliver this transformation.

The Chief Executive emphasised that, as opposed to the Customer First project in 2018, the FTP would be led by Councillors / staff and not consultants. It would, therefore, be a more cost-effective exercise. However, as the Council lacked both the capacity and capability to deliver the programme in isolation, it would need to invest in expert support and external challenge to design and deliver the required changes.

The report highlighted the following four 'critical success factors' for the FTP:

Financial

overall reduction in net budget of 15% by 2023/24 over 18 months / overall reduction in expenditure on 'back office' functions by 15-20% by 2023/24 / higher proportion of the budget is spent on 'front line' services and the Council's stated priorities

Customer

customers are involved in the redesign of services / customer feedback is used to drive service improvement / customers are encouraged to use the least cost channel to access Council services

Services

a mixed economy of service delivery, with services undertaken by the most appropriate means / service performance is managed and benchmarked / service performance is demonstrably improving

Staff

the Council has a smaller directly employed workforce / managers and staff are engaged and accountable for their performance / staff feel valued and motivated and understand the values and behaviours we expect from them.

The FTP had been structured into the following 4 workstreams:

Workstream 1 - Leadership

including a senior management restructure; development of a new strategic plan; understanding the impact of the boundary review due to be in place for May 2024 (at the earliest); and consideration of improvements to the committee system

Workstream 2 - Service review, redesign and delivery

a prioritised, consistent and rigorous review of all services which will challenge how and why they are provided - this will incorporate a review of cross-cutting themes including commercialisation, asset strategy, customer services and digital

Workstream 3 - Organisational and workforce change

to implement leaner management and service structures for the new operating model

Workstream 4 – Finance and benefit delivery

to deliver the Tandrige Finance Transformation programme and, via the Benefits Board, to oversee and manage the delivery of savings identified for delivery in 2022/23.

The report explained the governance arrangements for the FTP. Each workstream would have its own sponsor and accountable officer. Workstreams 2 and 3 would be overseen in Phase 1 (mobilisation and design phase) through the Target Operating Model (TOM) Development Group to be chaired by the Chief Executive. This will, in effect, be the guiding team for the development of the FTP. As individual change projects are identified and approved for delivery, they will be overseen by a Programme Delivery Board with the Benefits Board maintaining oversight of benefit delivery. Risk would be managed through the Programme Management Office and reported and managed through the relevant Board.

The report also identified the roles required for the successful delivery of the programme, with indicative project management and support costs for Phase 1. These costs were estimated at between £160K and £200K. The additional investment for the delivery phase would depend on the results of the service review and redesign (Workstream 2) and would be subject to consideration of a further business case before the end of Phase 1.

In response to Members' questions, officers explained the 'Programme Manager' and 'Business Analyst' roles and why the duration of their engagements had been set at 18 months and 6 months respectively. This was partly because these, and other external roles, would be additional resources to support TDC's in-house staff. It was also confirmed that the governance regime for the FTP involved clearly defined terms of reference for the different boards, but that arrangements would be reviewed if they became too bureaucratic. The Chief Executive emphasised the need to continue to involve staff in the transformation process and to be open and honest with them about its likely impact. He also confirmed that this Committee was the 'Member level' owner of the project and that all Councillors needed to be at the heart of the strategic plan review.

RESOLVED – that:

- A. the need for the Future Tandridge Programme and the proposed approach set out within the report be supported;
- B. a one-off investment of up to £200k, funded from flexible capital receipts, to mobilise and undertake Phase 1 of the programme (6 months) be approved;
- C. the indicative investment for the delivery of Phase 2 of the programme be noted (this will be dependent on the findings of the service reviews and will be the subject of a separate business case to the Committee before the end of Phase 1).

261. JOINT WORKING AGREEMENT FOR FINANCE SERVICES

On the 11th January 2022, the Committee agreed a new finance structure and requested that a final version of the Joint Working Agreement (JWA) be submitted to this (1st February 2022) meeting. A revised version of the JWA was presented accordingly.

Regarding the schedule of recharges (from SCC to TDC) in section 6 of the JWA, Officers explained that the overall cost to TDC had not changed since the finance transformation report was considered by the Committee on the 11th January. It was also confirmed that the appointment of Mark Hak-Sanders as TDC's new Chief Finance Officer was on the basis of a two-year secondment from SCC. However, during that time, he would be working exclusively for Tandridge.

RESOLVED – that:

- A. subject to the agreement of Surrey County Council, the Joint Working Agreement for Finance Services with Surrey County Council, as attached at Appendix B to the report, be approved; and
- B the Head of Legal Services & Monitoring Officer be authorised to arrange for the Joint Working Agreement to be executed on behalf of the Council.

262. PAY POLICY STATEMENT 2022/23

The Localism Act 2011 required Councils to publish annual pay policy statements. A proposed 2022/23 statement for Tandridge was submitted.

COUNCIL DECISION
(subject to ratification by Council)

RECOMMENDED – that the annual Pay Policy Statement for 2022/23, attached at Appendix O, be adopted with effect from 1st April 2022.

263. TIMETABLE OF MEETINGS FOR 2022/23

A proposed timetable of meetings for 2022/23 was submitted. It was suggested that, upon constituting the Investment Sub-Committee for 2022/23 (at the 26th May Annual Council meeting) consideration be given to increasing the size of its membership to reduce the likelihood of its meetings being inquorate.

COUNCIL DECISION
(subject to ratification by Council)

RECOMMENDED – that the timetable of meetings for 2022/23, as attached at Appendix P, be adopted.

Rising 10.09 pm

Note – the appendices to these minutes can be viewed via the following link to the published version on the website:

<https://tandridge.moderngov.co.uk/documents/q975/Public%20minutes%2001st-Feb-2022%2019.30%20Strategy%20Resources%20Committee.pdf?T=11>

Strategy & Resources Committee - 2022/23 Budget – Tranche 2 Pressure and Savings Distribution

Strategy & Resources Committee Thursday, 7 April 2022

Report of: Chief Finance Officer (Section 151)

Purpose: To approve the Tranche 2 Budget Report for 2022/23

Publication status: Unrestricted

Wards affected: All

Executive summary:

On 10th February 2022, Council approved the 2022/23 Final Budget Report and Medium-Term Financial Strategy (MTFS) to 2023/24 which sets out the Council's strategy for financial recovery and the development of sustainable medium-term financial plans.

This report set out that savings and pressures were going to be allocated in 3 Tranches. Tranche 1 was allocated as part of the January cycle of reports and approved by Full Council.

This report sets out the allocation of Tranche 2 pressures for the Strategy & Resources Committee and a summary for all four committees.

This report supports the Council's priority of: Building a better Council

Contact officer Anna D'Alessandro
ADalessandro@tandridge.gov.uk

Recommendations to Committee:

That:

- A. the revised 2022/23 net budget for the Strategy & Resources Committee and Corporate Items at **Appendix A** be approved;
- B. the uplifted Fees & Charges for the Strategy & Resources Committee at **Appendix B** be approved; and
- C. in light of A above and the decisions of the other Policy Committees at their respective March 2022 meetings, the overall Tranche 2 budget, as set out in Section 5, Table 2 and Appendix C be noted.

Reason for recommendations:

This report builds on the papers presented Council on 10th February 2022, where it was outlined that committees would, in March and April, approve the distribution of the Tranche 2 pressures and the subsequent committee budgets for 2022/23.

1. Introduction

- 1.1. On 10th February 2022, Council approved the 2022/23 Final Budget Report and Medium-Term Financial Strategy (MTFS) to 2023/24, which set out the Council's strategy for financial recovery and the development of sustainable medium-term financial plans.
- 1.2. The Council adopted a 'Twin Track' approach to developing its financial plans in response to these challenges. Track 1 focussed on delivering a balanced budget for 2022/23, whilst Track 2 simultaneously sought to address pressures over the medium-term.
- 1.3. Given capacity constraints in Finance and across the Council at the time, we took a pragmatic approach to the distribution of pressures and savings for January committees and February Council, meaning that some pressures and savings were held in Corporate Items pending distribution. These amounts are referred to as Tranche 2 and Tranche 3. This budget paper presents the distribution of Tranche 2, which includes savings and pressures for Strategy & Resources, as set out in section 3 below. Section 5 sets out the overall position for the Council.

2. General Fund - Revenue Budget Process to Date

- 2.1. The 2022/23 Revenue budget is balanced without the use of Reserves.
- 2.2. As detailed within the January and February budget papers, the distribution of budgets to Committees is being undertaken in tranches:
 - February 2022 Council - Tranche 1: The pressures set out in detail in the January Committee reports. These are the pressures which were straightforward and simple to allocate.

- March / April 2022 Committee cycle - Tranche 2: The distribution of these pressures is brought to this Committee for approval:
 - **£367k** of pressures comprising £193k of staffing increments, and **£174k** of contract inflation; and
 - **£200k** of vacancy factor savings
- June 2022 committee cycle - Tranche 3: The more complex cross-cutting savings totalling £450k, which will require Service Reviews and business cases to be undertaken to ensure accurate distribution to Committees. **These savings may be allocated across Community Services, Housing and Strategy and Resources Committees. Planning Policy Committee will not be allocated savings in 2022/23.** Further information is set out in section 6.

2.3. As part of proposed changes to the Financial Regulations, budget accountability statements will be produced. Budget Accountability Statements:

- are addressed to the Budget Accountable Officer (Senior Officers), from the Chief Finance Officer;
- request that the Budget Accountable Officer acknowledges the statement by a defined date (usually three weeks from distribution); acknowledgement returns are monitored by Corporate Finance. The Management Team is regularly updated on progress;
- summarise the financial strategy and direction;
- recap the roles and responsibilities of the Budget Accountable Officer (Senior Officers) that is within the Internal Business and Finance Agreement; and
- outline in financial terms the revenue and capital budgets for each Budget Accountable Officer for 2022/23.

3. Tranche 2 Budget Distribution

3.1. Tranche 2 distributes the inflation, salary increment and National Insurance (Social Care Levy) pressures. Corporately, these **total £367k of pressures** comprising £193k of staffing increments, and £174k of inflation. A £200k vacancy factor saving is also distributed. Strategy & Resources' share is set out below. Further budget details are set out in **Appendix A**. The overall distribution to other committees is set out in section 5.

Table 1: Tranche 2 Budget distribution to S&R

	Strategy and Resources Services £k
Budgets as at 10/2/2022	6,294
Tranche 2 - Pressures	246
Tranche 2 - Savings	(139)
Movement	107
Tranche 2 Revenue Budget	6,401

4. Fees & Charges

- 4.1. Charges for services form a key part of the mechanism for financing local services. In simple terms income from fees and charges offsets the cost of the service. If income from charging does not fully offset costs, then the Council Taxpayer must pay for the difference.
- 4.2. It is therefore important that charges are regularly reviewed and assessed to reflect the Council's corporate priorities and are increased annually to take account of inflation, demand and any other appropriate factors particular to individual charges. 2022/23 will be a challenging year with ongoing uncertainty relating to the pandemic. This is all exacerbated by the significant uncertainty with funding from Central Government over the medium-term. The Spending Review and the provisional settlement has only provided us with surety for one year.
- 4.3. There are a number of charges that are set externally over which the Council has no control to alter. This restricts the Council's ability to raise additional income and therefore the fees and charges set by statute are not required to be approved by this Committee.
- 4.4. Strategy & Resources Services fees & charges that are discretionary have been reviewed and where appropriate have been uplifted by inflation. Where we believe the fees & charges have been historically charged below the market rate we have uplifted by more than inflation.
- 4.5. **Appendix B** outlines the uplifted fees and charges.

5. Distribution of Tranche 2 from Corporate Items – Overview

- 5.1. Table 2, below, sets out the overall distribution of **£367k of pressures** and **£200k of savings** from Corporate Items relating to Tranche 2. These have been provisionally approved by Community Services, Housing and Planning Committees in March, pending approval by Strategy & Resources to the distribution from Corporate Items.
- 5.2. The Corporate Items budget itself is part of the re-distribution of inflation, as its income budget has been uplifted by £37k for increased recharges.

Table 2: Tranche 2 Budget distribution from Corporate Items

	Community Services £k	Housing General Fund £k	Planning Policy £k	Strategy and Resources Services £k	Corporate Items (Committee Budget) £k	Items (Distribution of T2 Items) £k	Overall £k
Budgets as at 10/2/2022	3,975	468	1,190	6,294	(743)	167	11,351
Tranche 2 - Pressures	116	28	14	246	(37)	(367)	(0)
Tranche 2 - Savings	(41)	(20)		(139)		200	0
Movement	75	9	13	107	(37)	(167)	0
Tranche 2 Revenue Budget	4,051	476	1,204	6,401	(780)	0	11,351

- 5.3. The detailed revenue budget for each committee is set out in Appendix C.

6. Tranche 3 Savings

- 6.1. The (£780k) closing Corporate Items Budget includes (£450k) of Tranche 3 savings to be allocated to other Committees (with the exception of Planning Policy) in the June cycle.
- 6.2. Tranche 3 are the more complex and cross-cutting savings, which will require Service Reviews and business cases to be undertaken to ensure accurate distribution to committees. These savings include £200k enabling services/back-office review, £150k of Twin Track accelerated savings in 2022/23, £25k of review of staffing increments, pay award and terms and conditions and £75k of ensuring best value for external spend.
- 6.3. Services reviews commenced in March 2022, involving a prioritised, consistent and rigorous review of all services, challenging how and why we provide those services, the most appropriate delivery model, performance, cost and value for money.
- 6.4. The outcome of the reviews will support both the longer-term financial sustainability of the Council and the delivery of the £450k of Tranche 3 savings. This will result in a series of decisions for Management Team and Committees on the scope and structure of future service delivery.

- 6.5. The mechanism to oversee this process is the Benefits Board (described in more detail in the Future Tandridge Programme paper to this committee on the 1st February 2022). The Benefits Board meet on a monthly basis to ensure that the benefits are being defined, owned and delivered. The proposal is to take the savings allocation to committees in June for approval. Although, this will not occur until the end of quarter 1 in 2022/23, the Benefits Board will support their delivery on behalf of committees, and they will be monitored closely internally. In the intervening period they will be held in Corporate Items.

7. Comments of the Chief Finance Officer

- 7.1. Further to the approval of the 2022/23 Budget by Full Council on 10th February (including the approval of Tranche 1 pressures) this report sets out the allocation of Tranche 2 pressures to the Strategy & Resources Services Committee, which is directly due to the increments of Strategy & Resources Services staff and the allocation of inflation. It also sets out the overall distribution from Corporate Items.
- 7.2. As stated in this report, it is imperative that the budget is delivered as stated for 2022/23 and Budget Accountability Statements are signed in acknowledgement. Training will be provided to all budget holders over the coming months to ensure they are familiar with and can undertake their roles as accountable budget managers and live within their budget envelope.
- 7.3. Attention has already turned to the distribution of the Tranche 3 savings across committees. Delivery of the overall £1.1m savings target is imperative to deliver the budget.

8. Comments of the Head of Legal Services

- 8.1. It is essential, as a matter of prudence, that the financial position of services continues to be closely monitored. In particular, Members must satisfy themselves that sufficient mechanisms are in place to ensure both that savings are delivered and that new expenditure is contained within the available resources. Accordingly, any proposals put forward must identify the realistic measures and mechanisms to produce those savings.
- 8.2. Under S28 of the Local Government Act 2003, a local authority must review its budget calculations from time to time during the financial year and take appropriate action if there is any deterioration in its budget. This report satisfies this statutory requirement.

9. Equality

- 9.1. The Council has specific responsibilities under the Equality Act 2010 and Public Sector Equality Duty. Part of this is to ensure that the potential effects of decisions on those protected by the equalities legislation are considered prior to any decision being made.

- 9.2. Section 149 of the Equality Act 2010, provides that a public authority must, in the exercise of its functions, have due regard to the need to: • eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the EA; • advance equality of opportunity between persons who share a relevant protected characteristic (as defined by the EA) and persons who do not share it; • foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
- 9.3. The three parts of the duty applies to the following protected characteristics: age, disability, gender reassignment, pregnancy/maternity, race, religion/faith, sex and sexual orientation. Marriage and civil partnership status applies to the first part of the duty.
- 9.4. Members should have due regard to the public-sector equality duty when making their decisions. The equalities duties are continuing duties they are not duties to secure a particular outcome.
- 9.5. The Officers have reviewed their budget changes against the initial equalities screening tool. This has highlighted and concluded that all of savings within the 2022/23 budget will not have any direct effect on residents or service delivery (such as removal of vacant posts, renegotiation of contracts and Reserve adjustments).
- 9.6. The outcome of this is that the budgetary changes have no negative or positive impact on protected characteristics and residents. However, the Council will continually monitor the effect of the budget-setting process and decision-making by using equality impact assessments.

10. Climate change

- 10.1. There are no direct impacts on environmental aspects in this budget report. Climate change implications will be assessed as part of any changes to Service provision through a business case process.

11. Appendices

Appendix A – Strategy and Resources Revenue Budget 2022/23

Appendix B – Strategy and Resources Fees & Charges 2022/23

Appendix C – Overall & Committee Revenue Budget 2022/23

Appendix D – Glossary of Terms

12. Background papers

2nd Dec Strategy & Resources – 2022/23 Draft Budget & MTF5 to 2023/24

18th Jan Community Services – Outline Final Budget

20th Jan Planning Policy – Outline Final Budget

25th Jan Housing – Outline Final Budget

1st Feb Strategy & Resources - Outline Final Budget

10th Feb Council – Final Budget

10th Mar Planning Policy – Tranche 2

17th Mar Community Services – Tranche 2

24th Mar Housing Services – Tranche 2

----- end of report -----

Appendix A - Strategy and Resources Revenue Budget 2022/23

	2021/22 Annual Budget £k	2022/23 Tranche 1 Budget £k	Movement £k	2022/23 Tranche 2 Budget £k
Legal Services	531	551	24	575
Human Resources	587	543	(79)	464
Leadership Team	370	350	(90)	261
Information Technology	1,328	1,328	55	1,383
Democratic Services	567	564	(2)	562
Communications	401	381	(8)	374
Financial Services	903	996	23	1,019
Office Services	320	237	49	286
Asset Management	159	159	(17)	142
Revenues & Benefit Services	194	201	53	254
Communities Executive Projects	107	107	26	133
Customer Services	645	645	57	702
Emergency Planning & Community Safety	226	231	15	246
Wellbeing Prescription	0	0	0	0
Strategy & Resources	6,338	6,294	107	6,401

	Pay £k	Non Pay £k	Income £k	2022/23 Tranche 2 Budget £k
Legal Services	595	43	(62)	575
Human Resources	276	189	0	464
Leadership Team	167	94	0	261
Information Technology	552	834	(4)	1,383
Democratic Services	214	348	0	562
Communications	310	63	0	374
Financial Services	760	259	0	1,019
Office Services	89	503	(306)	286
Asset Management	142	0	0	142
Revenues & Benefit Services	528	54	(328)	254
Communities Executive Projects	133	0	0	133
Customer Services	597	106	0	702
Emergency Planning & Community Safety	158	88	0	246
Wellbeing Prescription	408	109	(518)	0
Strategy & Resources	4,928	2,691	(1,218)	6,401

Note: Whilst updating the pay budgets, some posts have been realigned within the committee

Corporate Items Budget

	2021/22 Updated Annual Budget £k	2022/23 Tranche 1 Budget £k	Movement £k	2022/23 Tranche 2 Budget £k
Interest Payable	1,163	1,163	0	1,163
Interest Receivable & Investment Income	(1,418)	(1,498)	0	(1,498)
Property Income	(920)	(745)	0	(745)
Non GF Support recharges & Bank charges ¹	(1,894)	(2,026)	(31)	(2,057)
Minimum Revenue Provision (MRP)	871	1,179	0	1,179
Pension - Actuarial top up, Added Years, & Compensation	1,489	1,485	0	1,485
Pension provisions	(921)	0	0	0
Write Offs and Bad Debt Provision	22	22	0	22
Pressures and Saving on behalf of committees		(289)	(173)	(462)
Contribution to Income Equalisation Reserve	100	(85)	0	(85)
General Fund Balances	700	100	0	100
Partnership & Transformation Reserve	0	0	0	0
Contingency	117	117	0	117
Corporate Items	(690)	(576)	(204)	(780)

Note 1 – £31k Movement: charges to subsidiary consolidated within Corporate Items including £24k from Legal Services and £6k from Finance

	Pay £k	Non Pay £k	Income £k	Net Budget £k
Interest Payable		1,163		1,163
Interest Receivable & Investment Income			(1,498)	(1,498)
Property Income			(745)	(745)
Non GF Support recharges & Bank charges		(2,057)		(2,057)
Minimum Revenue Provision (MRP)		1,179		1,179
Pension - Actuarial top up, Added Years, & Compensation		1,485		1,485
Pension provisions		0		0
Write Offs and Bad Debt Provision		22		22
Pressures and Saving on behalf of committees ²		(462)		(462)
Contribution to Income Equalisation Reserve		(85)		(85)
General Fund Balances		100		100
Partnership & Transformation Reserve		0		0
Contingency		117		117
Corporate Items	0	1,462	(2,243)	(780)

Appendix B - Strategy and Resources Fees & Charges 2022/23

Fees and Charges	Gross Charges Current Charges 2021/22 £	Proposed Gross Charges 2022/23 £	Percentage Increase 2022/23 %	Budgeted Income 2021/22 £	Actual YTD at Feb 22 £	Expected Outturn 2021/22 £	Proposed Budget 2022/23 £
Legal Charges (Per Hour) *							
Head of Legal & Monitoring Officer	266.00	280.00	5.3%				
Principal Solicitor, Assistant Solicitor, Senior Lawyer (Per Hour)	251.00	264.00	5.2%				
Clerical Assistant, Legal Assistant (Per Hour)	186.00	196.00	5.4%				
Legal Assistant / Interns/ Case Officers	102.00	108.00	5.9%				
Support Officer / Apprentices	51.00	54.00	5.9%				
Drafting a simple licence	520.00	547.00	5.2%				
Drafting a simple wayleave agreement/ lease	1248.00	1310.00	5.0%				
Renewal of simple licence	312.00	328.00	5.1%				
Renewal of simple wayleave agreement/ lease	728.00	765.00	5.1%				
Right to Buy; Request for a management pack	208.00	219.00	5.3%				
Lease Notice	102.00	108.00	5.9%				
*Charities/ Community Groups may be eligible for a 50% discount on legal fees							
Total Budgeted Income				83,400	88,576	91,188	62,000
Court Costs (subject to confirmation from courts)							
Council Tax Summons Charges	62.50	66.00	5.6%				
Council Tax Liability Order	30.00	32.00	6.7%				
NNDR Summons Charges	102.50	108.00	5.4%				
NNDR Liability Order	20.00	21.00	5.0%				
Total Budgeted Income				128,500	-	59,569	137,662

Appendix C – Overall & Committee Revenue Budget 2022/23

	2021/22 Updated Annual Budget £k	2022/23 Tranche 1 Budget £k	Movement £k	2022/23 Tranche 2 Budget £k
Community Services	3,993	3,975	76	4,051
Housing Services General Fund	469	468	8	476
Planning Policy	1,185	1,190	14	1,204
Strategy & Resources	6,338	6,294	107	6,401
Corporate Items	(690)	(576)	(204)	(780)
General Fund	11,295	11,351	0	11,351
Funded by:				
Council Tax	(8,657)	(8,934)		(8,934)
Business Rates	(1,459)	(1,633)		(1,633)
General Government Grants:				0
Specific Government Grants COVID-19	(498)	0		0
Specific Government Grants	(681)	(784)		(784)
Funded by	(11,295)	(11,351)	0	(11,351)

	Budget 2022/23			Net Budget £k
	Pay £k	Non Pay £k	Income £k	
Community Services	1,309	5,640	(2,899)	4,051
Housing Services General Fund	527	18,632	(18,683)	476
Planning Policy	1,800	2,088	(2,684)	1,204
Strategy & Resources	4,928	2,691	(1,218)	6,401
Corporate Items	0	1,462	(2,243)	(780)
General Fund	8,564	30,513	(27,726)	11,351
Funded by:				
Council Tax			(8,934)	(8,934)
Business Rates			(1,633)	(1,633)
General Government Grants:				0
Specific Government Grants COVID-19			0	0
Specific Government Grants			(784)	(784)
Funded by	0	0	(11,351)	(11,351)
Overall total	8,564	30,513	(39,077)	0

Appendix D – Glossary of Terms

Term	Definition
Balanced Budget	Budget pressures fully offset by budget savings and funding changes.
Pressure	<p>Known budgeted expenditure increases and income reductions due to the following:</p> <ul style="list-style-type: none"> • Growth factors – e.g. demographic, inflation and/or increased demand for services; • Full year effects – to take account of changes to expenditure or income which have taken effect in-year and need to be accounted for in future years as they are of an ongoing nature, e.g. ongoing changes to car parking income due to the pandemic; and/or • Other increases in expenditure or reduction in income as a result of strategic, governance, funding or policy changes e.g. additions to the organisational structure or additional service activities undertaken and not budgeted for as they occur after the budget is set and have ongoing implications.
Saving	<p>Known budgeted expenditure reductions and income increases which result due to the following:</p> <ul style="list-style-type: none"> • Containing additional costs of Inflationary increases in contracts or pay; • Driving forward efficiencies in the provision of existing services i.e. providing services in an improved way to deliver better value for money; • The delivery of new or additional services; and/or • Optimising sources of income.
Reserves: General Fund balance	A contingency fund - money set aside for emergencies or to cover any unexpected costs that may occur during the year, such as unexpected repairs.
Reserves: Earmarked Reserves	Funds set aside by Council for a particular purpose, such as buying or repairing equipment or the maintenance of public parks or buildings or equalising over time a particular income stream.

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Strategy & Resources Q3 2021-2022 Performance Report

Strategy & Resources Committee Thursday, 7 April 2022

Report of: Chief Executive

Purpose: For information

Publication status: Open

Wards affected: All

Executive summary:

- The appendices to this report contain data on the Committee's key performance indicators and risks for Quarter 3 2021-2022, to enable the Committee to monitor how the Council is delivering the services for which it is responsible.
 - Performance and risk headlines are included in Section 3.
-

This report supports the Council's priority of: Building a better Council

Contact officer Nikki Tagg Projects Specialist
ntagg@tandridge.gov.uk

Recommendation to Committee:

That the Quarter 3 2021-2022 performance and risks for the Strategy & Resources Committee be noted.

Reason for recommendation:

To support the Committee to monitor and manage its performance and risks.

1. Introduction and background

1.1 Performance and risk reports are presented to each policy committee at the end of each quarter. The reports include a covering report and an appendix with individual performance charts and commentary for each performance indicator, and the committee's risk register. This committee also receives the corporate risk register.

2. Notes on performance and risk data

2.1 See Appendices A, B and C for the Strategy & Resources performance data, committee risk register and corporate risk register respectively.

2.2 Wherever possible the most recent data has been included in the appendices, regardless of whether it technically falls into the reported quarter. However, due to the committee report timelines, there may be occasions where data is not available in time for the committee report. In these cases, the data will be provided in the next scheduled report.

2.3 The Council uses the following risk management scoring matrix:

Likelihood	Very Likely	4	4	8	12	16
	Likely	3	3	6	9	12
	Possible	2	2	4	6	8
	Unlikely	1	1	2	3	4
			1	2	3	4
			Low	Medium	High	Very High
			Impact			

3. Quarter headlines

3.1 Performance

3.1.1. The following six committee KPIs did not meet their target for the quarter.

- SR3a Days taken to process Housing Benefit / Council Tax Benefit new claims
- SR3b Days taken to process Housing Benefit / Council Tax change events
- SR4 The number of working days / shifts lost due to sickness absence (long and short-term)
- SR7 The percentage of calls answered by Customer Services within 60 seconds

- SR8 Number of overdue complaints
 - SR9 Number of overdue freedom of information (FOI) requests
- 3.1.2. See Appendix A for further information.

3.2 Risk

- 3.2.1 There are two red risks on the committee register:
- Inability to procure goods and services effectively due to lack of resources
 - Delay or inability to procure goods and services due to shortage of officers who can use the council's tendering portal
- 3.2.2. There are seven red risks currently on the corporate risk register:
- Local Plan is found unsound by the Inspector
 - Lack of resources constrains the Council's "business as usual" capacity
 - Lack of capacity in planning department negatively impacts performance and delivery of service, such as determining applications in statutory timeframes and managing complaints and FOIs
 - Unable to monitor and control revenue and capital budgets due to Orchard / Agresso interface not working
 - Inability to make savings as identified in the Medium Term Financial Strategy and to balance the Council Budget in 2021/22 and 2022/23
 - Inability to provide the waste collection service in line with the performance management framework service standards
 - Resources unavailable to progress the climate change action plan in set timescales
- 3.2.3 See Appendices B and C for details.

4. Key implications

4.1 Comments of the Chief Finance Officer

- 4.1.1 There are no direct finance implications arising from this report.
- 4.1.2 The missed targets on the performance data are likely to have resource implications in improving standards and meeting our targets in the future.
- 4.1.3 The red risks flagged represent considerable risk to the Council and could lead to additional resource and cost implications if they come to pass. These risks need to be monitored closely to ensure they are mitigated where possible.

4.2 Comments of the Head of Legal Services

4.2.1 As this report is for noting, there are no direct legal implications arising from this report, but the report does provide Members with an overview of the achievement of targets in the past quarter and highlights risk management considerations where appropriate. These risks align with the Corporate Risk Register. The periodic review of these documents should ensure that they remain aligned.

4.3 Other corporate implications

Not applicable

4.4 Equality

This report contains no proposals that would disadvantage any particular minority groups.

4.5 Climate change

This report contains no proposals that would impact on the Council's commitment to Climate Change.

Appendices

Appendix 'A' – Performance Charts

Appendix 'B' – Strategy and Resources Risk Register

Appendix 'C' – Corporate Risk Register

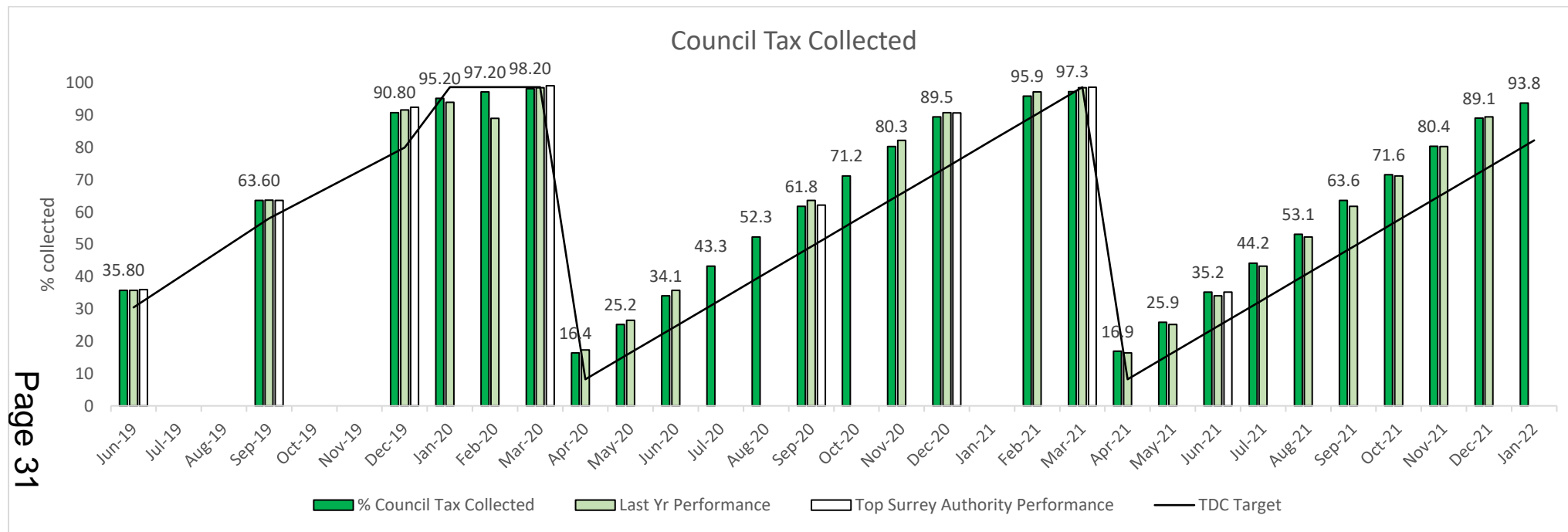
Background papers

None.

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APPENDIX A – Strategy & Resources Performance Charts

SR1 - Percentage of Council Tax collected



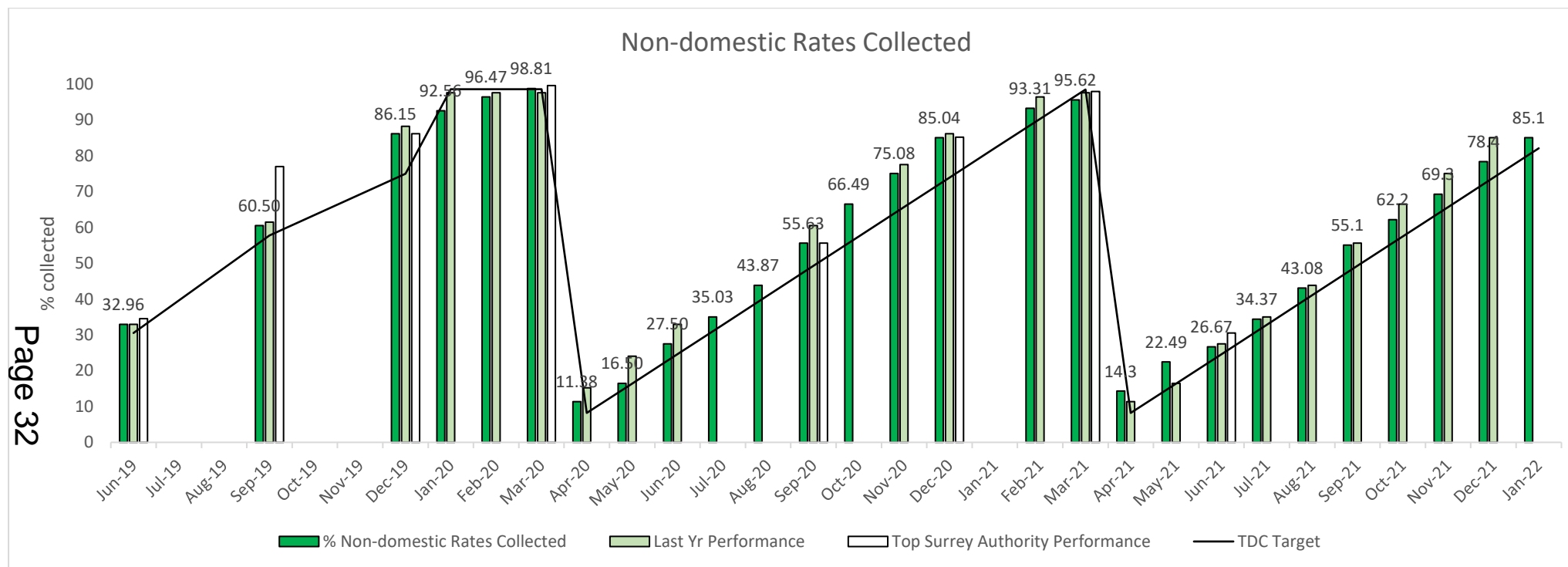
Performance Summary

- Collection performance is 11.60% above the increasing monthly target, which at the end of January 2022 stood at 82.20%. Performance is 0.20% better than that of the same period in 2020/21, when collection rates were 93.60%.

Target: 98.7% (end of year, cumulative).

APPENDIX A – Strategy & Resources Performance Charts

SR2 - The percentage of non-domestic rates due for the financial year which were received by the Council



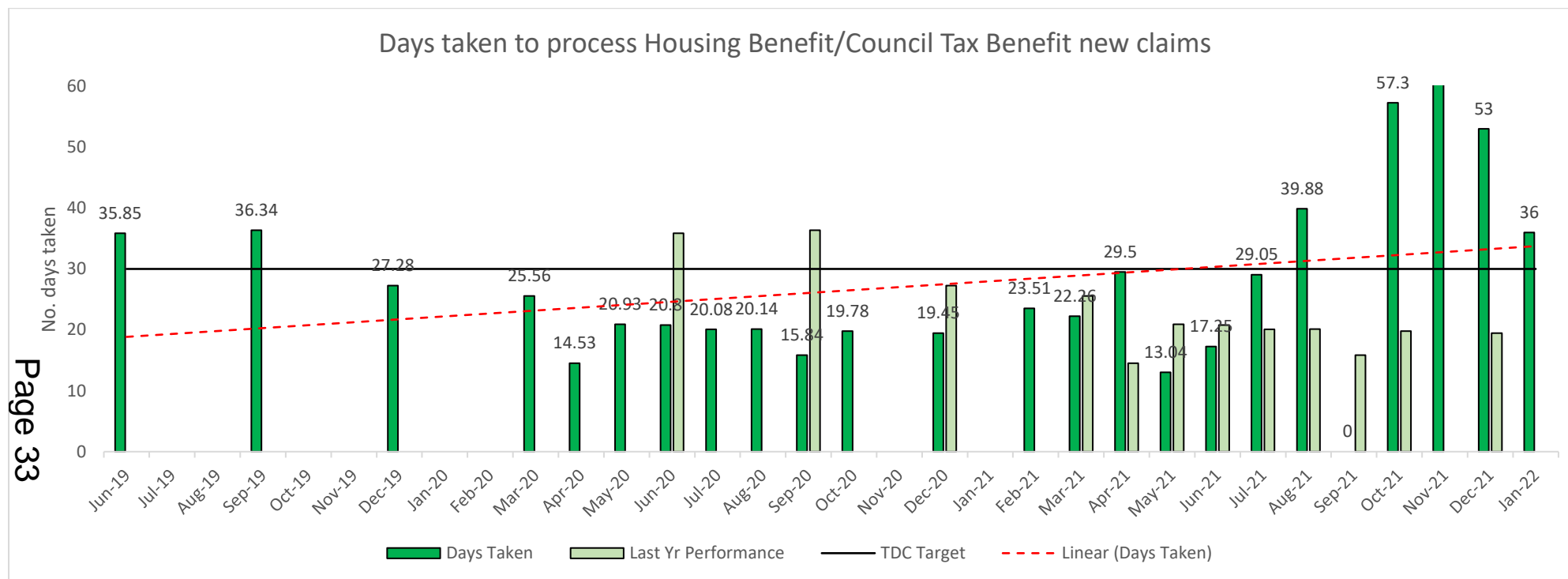
Performance Summary

- Collection performance is 3% above the increasing monthly target, which at the end of January 2022 stood at 82.10%. Performance is 9.75% lower than that of the same period in 2020/21, when collection rates were 94.85%. - Reminders sent to the sum of £1m plus additional signposting to new COVID 19 grant schemes

Target: 98.6% (end of year, cumulative).

APPENDIX A – Strategy & Resources Performance Charts

SR3a - Days taken to process Housing Benefit/Council Tax Benefit new claims



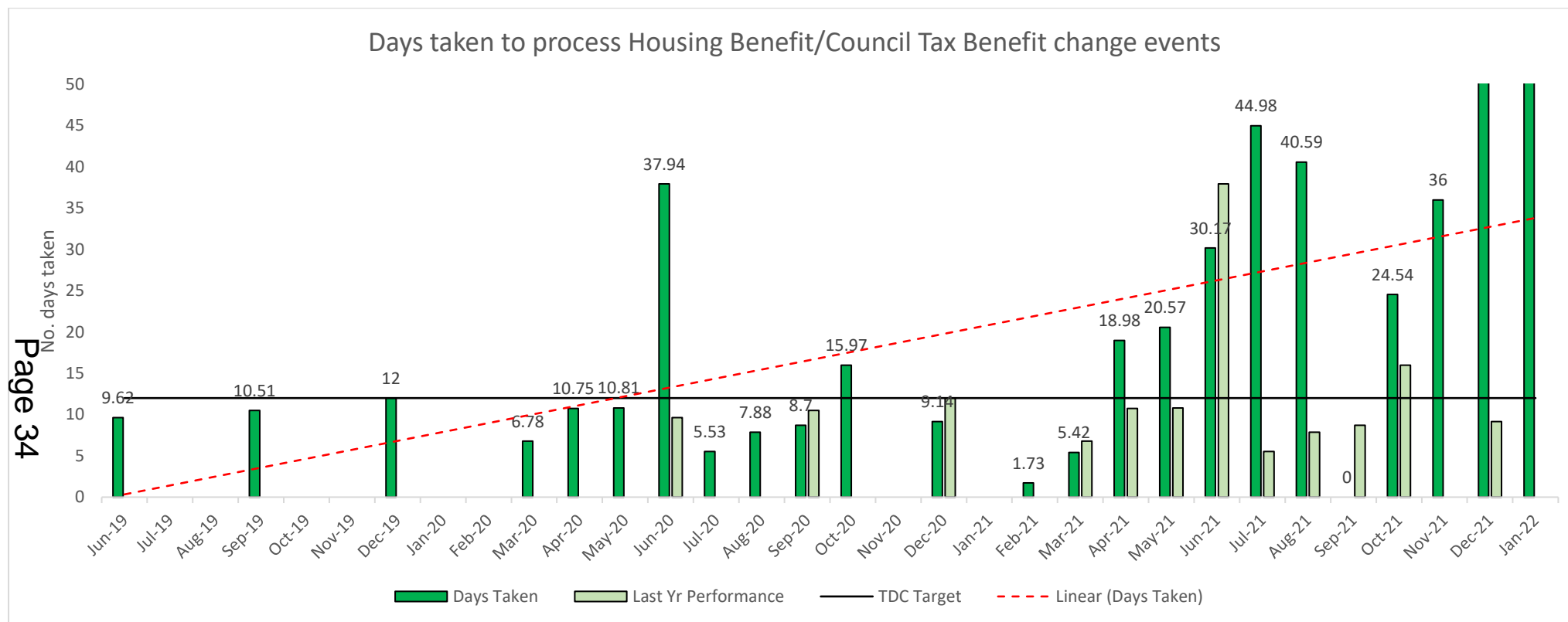
Performance Summary

- The team have now cleared all the older claims and are now focussing on new claims as soon as they come in.
- There are ongoing IT problems with the system set-up meaning that some types of claims are not being processed correctly. These claims are taking considerably longer to process which is impacting the overall average. We have been provided with a fix so these claims will be processed a lot quicker going forward.

Target: 30 days.

APPENDIX A – Strategy & Resources Performance Charts

SR3b - Days taken to process Housing Benefit/Council Tax change events



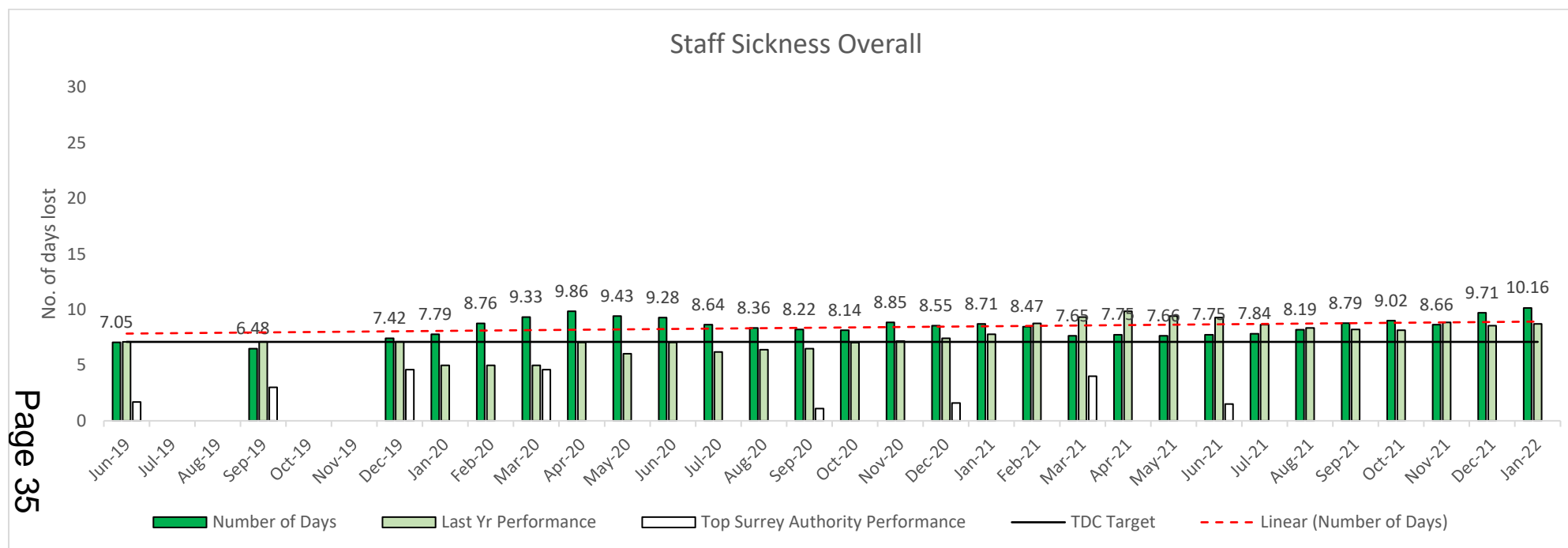
Performance Summary

- See above - the same issues have affected processing these statistics as well.
- There are still one or two claim types which don't process in the correct way, but officers have now processed all old claims.

Target: 12 days.

APPENDIX A – Strategy & Resources Performance Charts

SR4 – The number of working days/shifts lost due to sickness absence (long and short-term)



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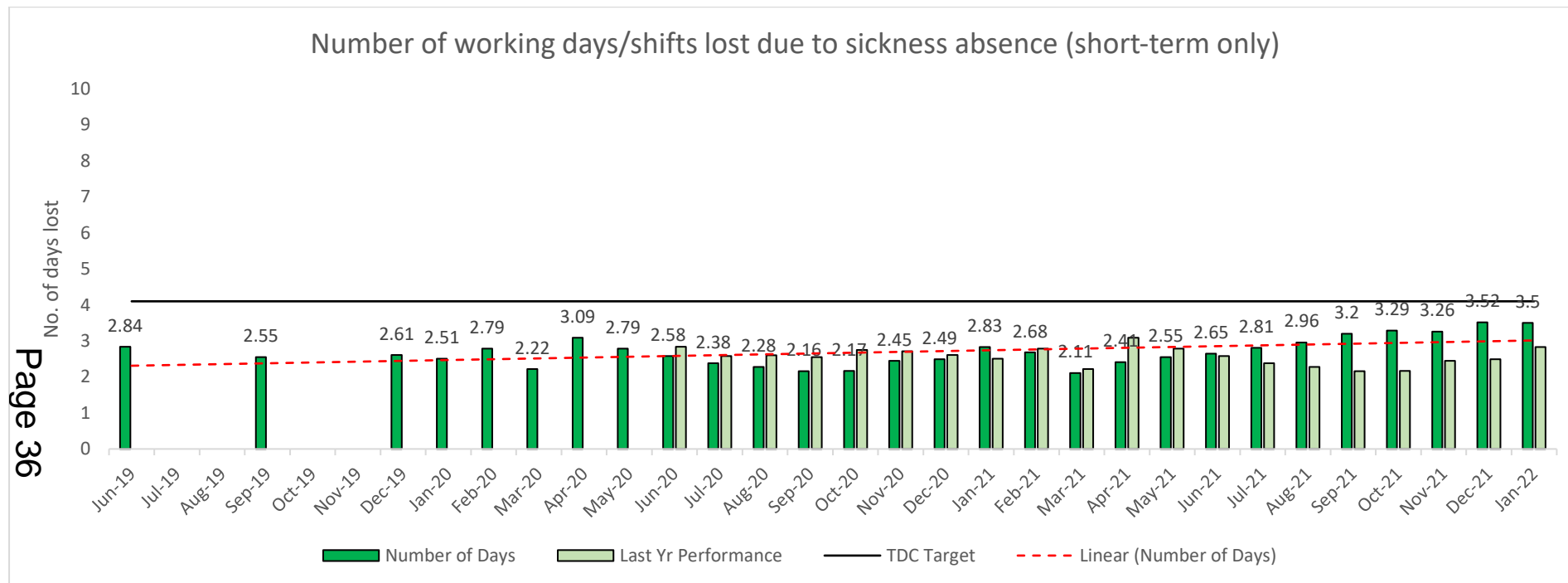
Performance Summary

- Sickness absence in Jan 2022 of 1.0 per FTE is down on Dec 2021 (1.22 days) per FTE. Rolling annual sickness absence figure is reported at 10.16 days per FTE on the year to 31 Jan 2022, up on 9.71 days in the previous month (Dec 21) and up on the 12-month rolling figure, like-on-like to 2020/21 (7.79)
- In the 12 months to 31 December 2021:
 - 14% of days of days lost were recorded as sickness absence relating to Covid (excluding long Covid sickness)
 - 17% attributed to Musculoskeletal
 - 40% stress/depression/anxiety related illnesses

Target: 7.1 days.

APPENDIX A – Strategy & Resources Performance Charts

SR5 – The number of working days/shifts lost due to sickness absence (short-term only – 20 days or less)



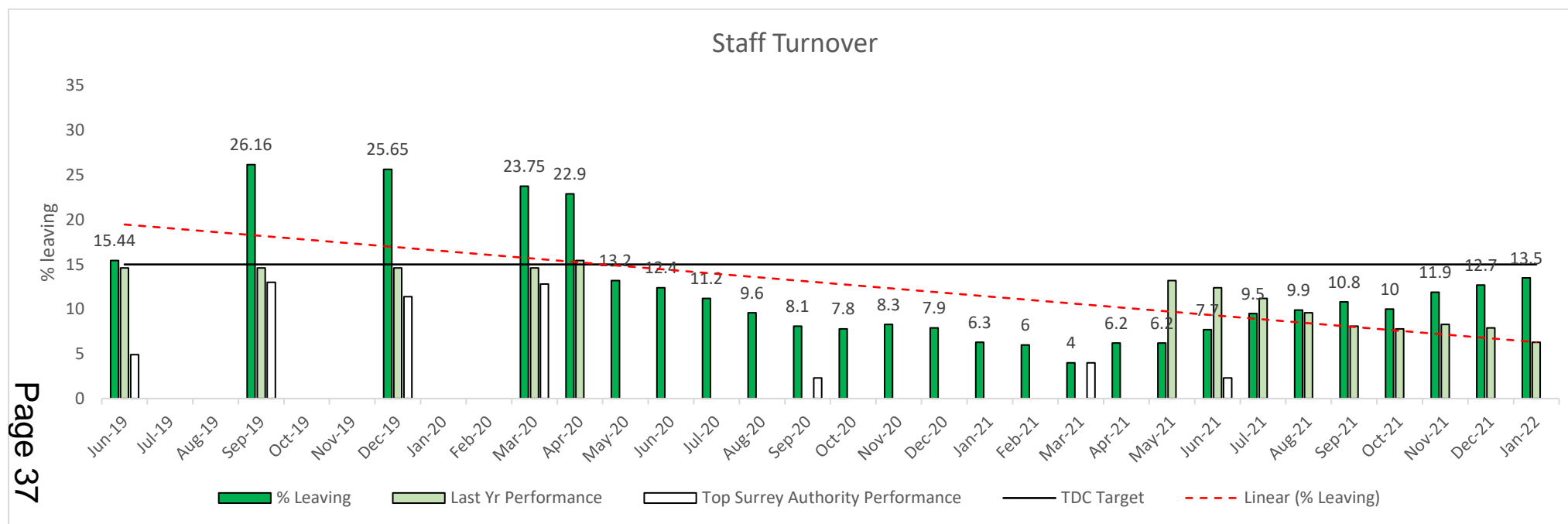
Performance Summary

- Short-term absences in January 2022 accounted for approximately 33% of the total sickness absence (0.33 days per FTE) which is down considerably on the same period last year (58%).
- The Rolling short term absence for the 12 months to December 2021 is 3.50 days per FTE, compared to 2.51 in the same period last year.

Target: 4.1 days.

APPENDIX A – Strategy & Resources Performance Charts

SR6 – Staff turnover



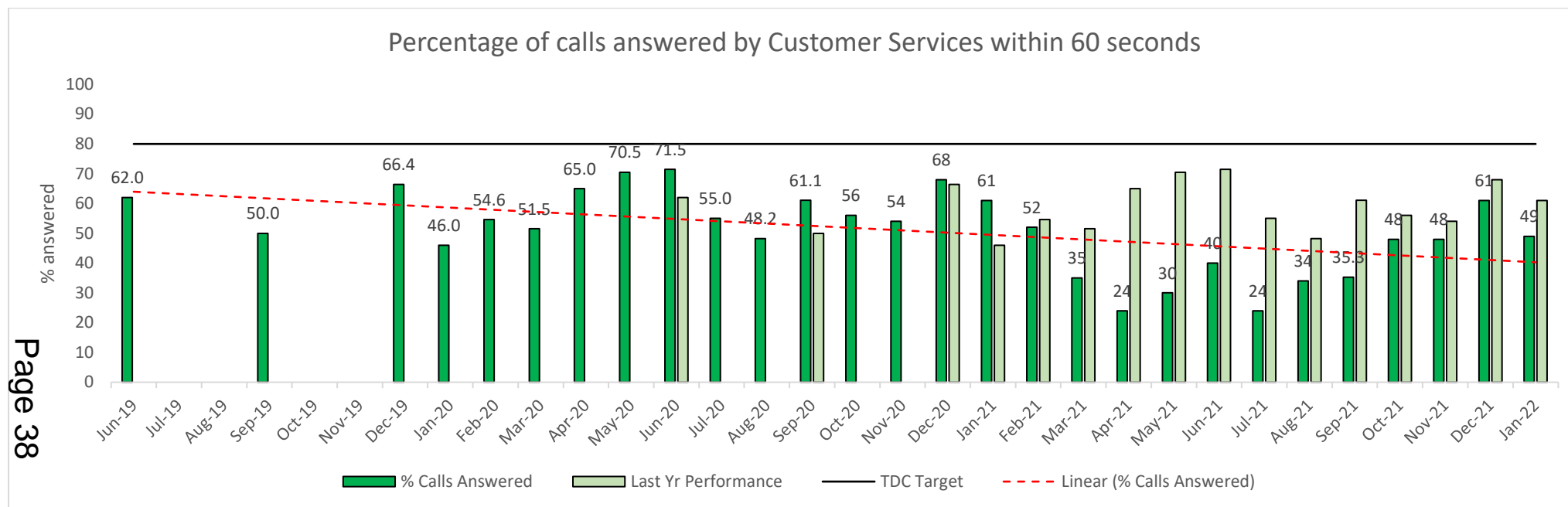
Performance Summary

- This KPI reports on a 12-month rolling period.
- Out of the 43 leavers in the reporting period to January 2022, 7 were for non-voluntary reasons.
- Overall turnover continues the upward trends and is up slightly at 16.1% as at 31 January.
- The annual (voluntary leavers) turnover figure as at December 2021, is once again up 13.5 (12.7%).

Target: 15%.

APPENDIX A – Strategy & Resources Performance Charts

SR7 - The percentage of calls answered within 60 seconds by Customer Services



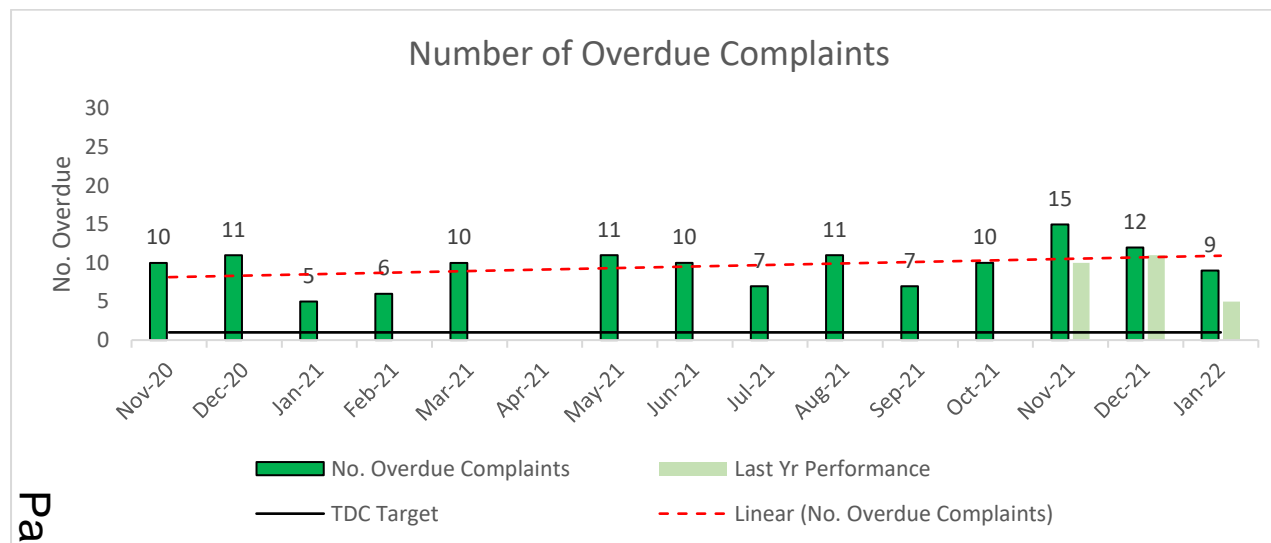
Performance Summary

- 8862 calls and 1454 emails were received in January 2022.
- Visitors to the Council reception increased by 30% which impacted the number of staff available on the phones.
- In addition, the team were hit hard by Covid sickness.
- The vacant posts still remain at 2 with little interest from potential candidates. A temporary member of staff will be recruited in February.

Target: 80%.

APPENDIX A – Strategy & Resources Performance Charts

SR8 – Number of Overdue Complaints

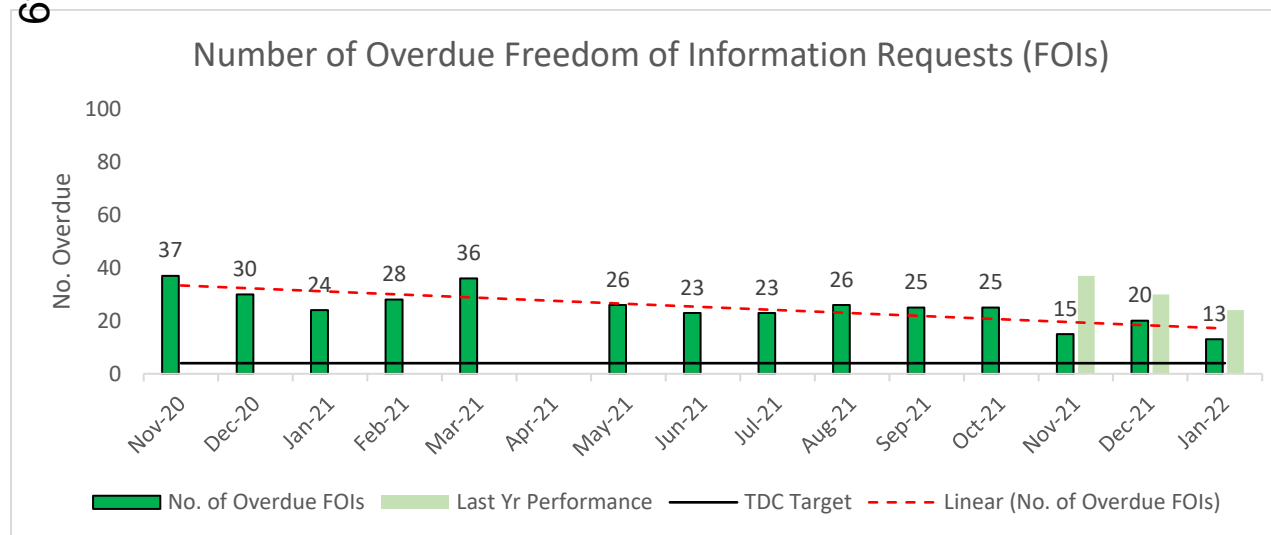


Performance Summary

- Some complaints require wider investigation and cover more than one team or department. This can mean finalising a response sometimes takes longer than the set deadlines.
- If the relevant staff are away or on leave, providing a response within the timelines can be difficult.
- We send holding responses to customers to let them know when they can expect a response.

Target: 1

SR9 – Number of Overdue Freedom of Information Requests (FOIs)



Performance Summary

- Some FOIs are very complex and require a lot of information to be gathered to provide a response. This can also include documents which need to be redacted. This can also take a lot of time.
- Some FOI responses require input and information from more than one team and it can take time to finalise a response.
- We send holding responses to customers to let them know when they can expect a response.

Target: 1

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Appendix B – Strategy and Resources Risk Register

Ref:	Category	Risk cause and event	Risk consequences	Risk Owner	L	I	RAG	Mitigating actions and responsibility	Status update
RD1	Operational	Inability to procure goods and services effectively due to lack of resources	<ul style="list-style-type: none"> * Failure of statutory responsibility to procure all goods and services in line with the Public Contract Regulations 2015 *Risk of legal challenge and subsequent financial penalty. *Delays in procuring new contracts * Financial risk of continuing with old contracts. *Failure to maintain the Contracts Register -financial risk of contracts auto renewing. *Delays in responding to FOIs -failure to meet the legal deadline. 	Procurement Specialist	4	4	16	Recruit new member of staff. Additional admin support for one day a week from Case Officer.	<ul style="list-style-type: none"> *Tried unsuccessfully to recruit a Procurement Apprentice. Re-advertised for a Procurement Trainee. No candidates accepted invitation to interview. The post remains unfilled. *24/03/2022 - Internal Officer providing one days admin support to update and maintain the Contracts Register.
RD2	Operational	Delay or inability to procure goods and services due to shortage of officers who can use the council's tendering portal.	<ul style="list-style-type: none"> *Failure of statutory responsibility to procure all goods and services in line with the Public Contract Regulations 2015 -therefore risk of legal challenge and subsequent financial penalty. *Extra burden on Procurement Specialist at a time when under resourced 	Procurement Specialist	4	4	16	Provide training for new procuring officers.	<ul style="list-style-type: none"> This cannot be done until new procurement officer / trainee in place. *24/03/2022 - Have provided ad hoc training to 2 staff but problem continues. Ongoing discussions are being held to look at options.

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RD3	Operational	Inability of residents to contact the Council due to office being partially closed, IT issues and/or phone lines busy	<ul style="list-style-type: none"> * Negative impact on Council's reputation. * Poor social media and confidence in Council. * Residents' needs not being met. 	Head of Customer Engagement & Partnerships	3	3	9	<ul style="list-style-type: none"> * Closely monitor impact of increased call volumes from vulnerable residents and staff absence. * Regular review of social media to pick up concerns / complaints. * Various ways for people to access Council. * Customer Service Advisors working from home. * Council Offices open. 	<ul style="list-style-type: none"> * Information message updated on front end telephone lines to advise residents of alternative ways to contact the council. * Promotion of online reporting through social media and newsletters * Customer service emails acknowledged and responded to within 24 hours. * 24/03/2022 - Council offices are now fully open. We are still encouraging residents to book an appointment before turning up so that we can guarantee that the right staff are in the office to assist the resident. <p>New staff member joining on the 4th April and seeking approval to replace member of staff who is leaving.</p> <p>Continuing efforts to minimise the risk of staff catching Covid, however sickness in the team is an ongoing issue. A couple of the team also have long-covid.</p>
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RD4	People	Increase in staff mental health problems leading to lack in productivity	<ul style="list-style-type: none"> * Lack of productivity in staff. * Increase in sickness absence. 	HR Lead Specialist	4	2	8	<ul style="list-style-type: none"> * Sickness levels are being monitored daily and there is no significant increases to note currently. * Mental Health First Aider carried out in July 2020. 	<ul style="list-style-type: none"> * Whilst employee support schemes remain in place, including Mental Health First Aid and the Wellbeing Prescription, it is expected that this risk will lower as we move through the government's Covid recovery roadmap. * 24/03/22 - HR to put together a working group to look at wellbeing of staff.
RD5	People	Significant increase in sickness absence levels amongst staff	<ul style="list-style-type: none"> * Impact on the ability to deliver BAU. * Impact on the ability to assist vulnerable residents. * Increased pressure on remaining staff. 	HR Lead Specialist	2	3	6	<ul style="list-style-type: none"> * Ongoing monitoring of sickness levels, which includes advising the Covid-19 response team of changes. * Encourage staff to work at home where possible. * Employee support schemes in place. 	<ul style="list-style-type: none"> * Mental health issues and Musculoskeletal conditions continue to be the most frequently cited reason for sickness absence. We continue to be mindful of the impact remote working and social isolation are having on the workforce currently and continue to offer support to all employees via the Mental Health First Aid scheme and Employee Assistance Programme.

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RD6	Fraud	Data solicited or taken forcibly by external parties and/or used by insiders for personal gain (e.g. theft of personal data to perpetrate identify fraud)	<ul style="list-style-type: none"> * Reputational damage. * ICO investigation / fines. * Data breach, including of data subjects. * Impact on service delivery if systems need to be taken offline. 	Head of Legal	2	3	6	<ul style="list-style-type: none"> * Cyber essentials certification. * All staff personal data is protected * Access to G drive by department * Restricted access in use for SharePoint. * Laptops are password protected * Suite of information governance policies in place; * Information governance management team in place to monitor * Contractors and temporary staff need to sign the same IT policy as full time members of staff. 	<ul style="list-style-type: none"> * 25/01/22 - cyber security training has been provided throughout the organisation. * 24/03/22 - Officers / Members who have not yet completed training have been chased.
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RD7	Fraud	Corruption including bribery and improper influence, failure to declare conflicts/gifts, suppressing or providing false information to sway decisions or affect outcome	<ul style="list-style-type: none"> * Legal challenge. * Reputational damage. * Theft. * Contravention / breach of Council and/or local government policies and procedures. 	Head of Legal	2	3	6	<ul style="list-style-type: none"> * Decisions are rarely/if ever made by one person. There is a clear Committee structure to scrutinise decision making, overseen by the Head of Legal. * Delegated decision record forms used with set list of signatories. * Executive Team meetings minuted. * HR (staff) and Democratic Service (Members) hold a gifts register. * Employee and Member code of conduct. 	<ul style="list-style-type: none"> * - 25/01/2022 Policy has been updated. *24/03/2022 – policy being implemented
RD8	Fraud	Recruiting inappropriate staff due to false applications and/or identity fraud	<ul style="list-style-type: none"> * Inappropriate / unqualified staff hired. * Contravention of national and local authority legislations and/or policies. * Negative impact on performance. * Legal challenge. * Potentially safeguarding issues. * Potential contravention of 'right to work'. 	HR Lead Specialist	2	3	6	<ul style="list-style-type: none"> * Right to work checks completed in-line with government guidance. * DBS checks for all new starters. * Enhanced DBS checks conducted for relevant roles. * References requested as part of recruitment process. * Qualifications and experienced addressed via interview process, inc. one person on the recruitment panel being trained in recruitment and selection. 	

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RD9	Operational	Inability to respond to FOIs, SARs and complaints according to set timescales	<ul style="list-style-type: none"> * Poor image for Council *Breach of statutory duty with possible sanctions *Reputational damage 	Head of Communications and Customer Experience	2	2	4	<ul style="list-style-type: none"> * Explain the situation where possible. Keep requestors up to date about when they can expect a response. * Fortnightly reports of overdue cases shared with EMT to encourage completion. * More staff trained to redact documents. * Ongoing complaints training. 	<ul style="list-style-type: none"> * No change to the risk score, however there is ongoing work on policy, training and systems to improve the Council's performance in this area. *24/03/2022 – Information about overdue responses are now shared with the extended management team fortnightly and discussed at each monthly meeting
RD10	Fraud	Procuring the wrong goods and services due to collusion distorting fair an open competition; collusion between bidders; submission of false documents for payment; collusion with contractors etc.	<ul style="list-style-type: none"> * Unfair competition for procurement contracts contra to local government policy / regulations. * Council contracts with an inappropriate / fraudulent contractor. * Negative impact on Council budget should contractor fail to deliver and/or another procurement is required to replace a fraudulent contractor. 	Head of Legal	2	2	4	<ul style="list-style-type: none"> * Clear procurement process to ensure fair and open procurement * Corporate Procurement Board reviews decisions * Contracts are reviewed by Legal and signed off members of the management team * Contracts are awarded on a matrix with consistent scoring. * The Employee code of conduct addresses the risk of bias * The tendering portal is very secure so there can be no collusion. * There is a list of signatories and only these signatories can bind the Council contractually. 	

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RD11	Fraud	Incorrect election results due to fraudulent acts by voters, canvassers, poll clerks and officers, and/or count staff	<ul style="list-style-type: none"> * Failure of statutory duty. * Possible recounts and formal investigations into election outcomes. * Reputational damage. 	Chief Executive	1	4	4	<ul style="list-style-type: none"> *Compulsory training is a requirement for all staff to complete before every election. * Fully trained Polling stations inspectors visit each station at least twice on voting day. * Presiding Officers and Count supervisors receive prescribed training. 	
RD12	Technology	Current IT system (in place for 16 years) allows documents with only basic redactions to be put on website before they have been signed off by Planning Officer risking third party data being published	<ul style="list-style-type: none"> *Breach of statutory duty with possible sanctions *Reputational damage * Worry for those responsible for the basic redactions 	Head of Legal / Head of Planning / DP Officer / IT	2	2	4	<ul style="list-style-type: none"> *Changes to IT system to be made so that documents are not uploaded to website until they have been signed off by Planning Officer 	* 24/03/2022 Issue is to be addressed as part of the Future Tandridge Programme
RD13	Operational	Failure to report serious data protection breaches within the necessary time frame due to delays in DPO being notified	<ul style="list-style-type: none"> *Breach of statutory duty with possible sanctions *Reputational damage 	Head of Legal / DP Officer	2	2	4	<ul style="list-style-type: none"> *Reminding departments of the need to report potential breaches as soon as possible 	* 24/03/2022 DP Officer has set up a Data Champions group where someone in each department is responsible for promoting DP awareness and liaising with the DP Officer. First meetings have been held.

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RD14	Operational	Contracts coming to legal too late often close to or after the expiry date, often with outstanding governance issues	*Financial and legal risk of contract renewing *Risk of services being withdrawn if contract not renewed before expiry	Head of Legal	2	2	4	*Departments to set reminders 3 months in advance of expiry to contact Legal and to consider any governance issues	* 25/01/22 and 24/03/2022 - Improvements have been made
RD15	Operational	Inability of contracts to be signed due to DDRs signatories being on leave	*Financial and legal risk of contract not completing on time *Risk of services being withdrawn	Head of Legal	2	2	4	*Advance notification given to other signatories of intended annual leave / other absences *Consider having additional signatories	* 25/01/22 Once future management structure has been agreed, the constitution will be amended to increase signatories *24/03/2022 future management structure work ongoing
RD16	Commercial	Commercial property leases expiring without a new lease or tenancy at will being put in place or a letter sent to reserve the Council's rights.	*Tenant becomes trespasser making it costly for the Council to obtain possession *Tenant may gain protection of the LTA 1954 Act and make it difficult and costly to obtain possession	Executive Head of Communities	2	2	4	*Property to set reminders 3 months in advance of lease expiry (in the case of contracted out leases) to contact Legal to consider options	*24/03/2022 - Risk level remains the same. The asset team has procedures in place to monitor critical lease dates, and meets regularly with the legal team, however due to limited staff resources and following an extended sickness absence, some renewals are taking longer than would be ideal. Renewals to community organisations can be particularly time - consuming if a rental subsidy application is required.

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RD17	Operational	High levels of Covid isolation (via test & trace) lead to increased absences which impact service delivery	* Negative impact on service delivery	Chief Executive	2	2	4	Monitored through MT/EMT. Return to the Office protocol in place	* 25/01/22 - New return to work protocol to be published *24/03/2022 Return to work protocol has been published. TDC staff have been impacted by the general increase in covid cases throughout the district since the lifting of restrictions
RD18	Legal	Data sharing without having conducted a DPIA and/or a DSA.	* Referral to ICO, fine could be issued if leads to a breach. * Reputational damage. * Other implications related to inappropriately sharing specific data.	Head of Legal	2	2	4	* ROPA and departmental data champions currently being established. * Review of Data Sharing after completion of ROPA. * Training in data sharing risks and steps to take before sharing	* Added to register 12/10/21.
RD19	Operational	Legal and Covid 19 safety requirements are not met for the May elections	* Failure of statutory duty * Health and safety of the public and elections staff compromised * Reputational damage.	Returning Officer / Deputy Returning Officer	1	1	1	* Additional Covid 19 protocols and preparations worked in May 2021 elections. * Established controls and processes in place. * Use of Government support and guidance	* 24/03/2022 Due to implement several safety measures at polling stations in May that worked well at May 2021 elections. Measures will also be in place at the count, although not at the same level as last year. Officers will continue to monitor the number of cases locally to ensure the measures are appropriate for the level of risk

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Ref:	Category	Risk cause and event	Risk consequences	Risk Owner	L	I	RAG	Mitigating actions and responsibility	Status Update
P2	Strategic	Local plan is found unsound by the Inspector	<ul style="list-style-type: none"> * Impact on ability to reject inappropriate planning applications. * Unable to lobby and deliver infrastructure that meets the needs of local residents, public sector partners and businesses for the whole District. * More challenge to develop policies and working with others to support the building of affordable homes. * Inability to meet statutory requirement and risk of statutory intervention. * Unable to review Community Infrastructure Levy. * Additional costs associated with developing a new Plan. * Reputational damage. 	Interim Chief Planning Officer	4	4	16	<ul style="list-style-type: none"> * Dialogue maintained with the inspector following receipt of preliminary conclusions. * Continue to assess CIL bids to help support infrastructure delivery where possible. * Members to be made aware of any risks associated with responses / hearing sessions to the Inspector. * Ensure responses to the Inspector are submitted in a timely manner. * Work with statutory bodies where appropriate to ensure no objection. * Maintain and defend the strategy set out in the submitted Our Local Plan. * Consider legal advice appropriately. * Use consultants and experts in their field where appropriate to defend the Council's Local Plan. * Undertake additional evidence and main modifications as required by the Inspector. * Continue to have discussions with the Inspector via the Programme Officer. * Keep members updated. 	* 24/03/2022 Senior officers continuing to engage with the national Chief Planner and brief Councillors.

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SR1	Operational	Lack of resources constrains the Council's "business as usual" capacity	<ul style="list-style-type: none"> * Non-delivery and disruption of statutory and non-statutory services. * Increased staff absence levels and staff turnover. * Reduction in staff resilience. * Council suffers loss of, or temporary unavailability of, key staff 	Chief Executive	4	4	16	<ul style="list-style-type: none"> * Executive Leadership Team reviewing operating models and digital transformation options to release capacity where possible. * Finance capacity / resilience being reviewed as part of Finance shared service arrangement with Surrey County Council. * Senior managers proactively support teams to prioritise actions. * Support for staff welfare in place (e.g. mental health first aiders). * Appropriate HR policies in place (e.g. flexible working). 	<ul style="list-style-type: none"> * 24/03/2022 Future Tandridge Programme being developed - led by the Chief Executive - to address prioritisation, resourcing, resilience and organisational development issues. * Programme and resourcing agreed by Strategy & Resources on 1 February 2021. * Programme now being mobilised. service reviews tranche 1 now underway
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P3	Operational	Lack of capacity in planning department negatively impacts and delivery of service, such as determining applications in statutory timeframes and managing complaints and FOIs	<ul style="list-style-type: none"> * Inability to provide statutory services to a sufficient standard / quality / timeframe and reporting of poor performance. * Inability to provide non-statutory services which are valued because of prioritisation of providing statutory services. * Negative impact on staff health and wellbeing. * Risk of staff departure due to ongoing uncertainty and no continuity of planning officers, reliance of temps * Potential risks of costs claims, complaints and legal challenges. * Reputational damage. * Increase in complaints and FOIs adding further pressure to officer time required to respond/investigate * Costs claims and time impact of providing a defence; risk of award of costs against the Council 	Interim Chief Planning Officer	4	4	16	<ul style="list-style-type: none"> * Peer-review of development management department undertaken by Planning Advisory Service (PAS)) is being implemented through the Planning Transformation process commencing January 2022. * Non-statutory pre-application advice service reinstated to assist with ensuring that submitted applications can be processed more efficiently and effectively. * Local enterprise partnership supporting the Council's Community Infrastructure Levy (CIL) work. * Recruitment of temporary staff. * Maintain cross checking of reports and decision notices. * Maintain specialist (legal, policy and regulatory) input in decision taking. * IT have made changes to internal systems to pull through time sensitive applications. 	<ul style="list-style-type: none"> * Chief and Principle category posts that are vacant are being advertised nationally to attract the widest range of candidates. * Local Validation List for applications being prepared to assist with validation of applications and need for planning officers to seek additional information or changes to applications.
H2	Financial	Unable to monitor and control revenue and capital budgets due to Orchard / Agresso interface not working	<ul style="list-style-type: none"> * Considerable financial overspend * Expenditure being held in suspense account 	Executive Head of Communities	4	4	16	<ul style="list-style-type: none"> * Orchard have come back to provide both the job reference for the process that creates the output as well as some feedback on our parameters. The solution is being worked on and it is hoped that this will be verbally reported at Committee. 	<ul style="list-style-type: none"> * 24/03/2022 - the issue has now been resolved and invoices are now being sent to Agresso. Officers are working through the invoices pending and are hoping to have got through the

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									backlog by the end of next week.
SR3	Financial	Inability of Council to make savings as identified in the Medium Term Financial Strategy and to balance the Council Budget in 2021/22 and 2022/23	<ul style="list-style-type: none"> * Negative impact on the Council's budget. * Council exhausts reserves to balance the budget. * Reduce services / resources. * Section 114 notice required to be issued by Chief Financial Officer leading to cessation of non-essential spend and essential service provision at minimal level. * Reputational damage. 	Chief Financial Officer & S151	3	4	12	<ul style="list-style-type: none"> * Action plan produced to address recommendations from Grant Thornton review. * Savings trackers used to monitor savings delivery in 2021/22 (reported monthly to the Executive Leadership Team and Members as part of the finance reports). If savings reported are not achieved then the Service will have to find compensating savings from their budget. * Ensuring appropriate use of government issued Covid-19 grants and all COVID costs and income loss are accurately used and reported. * Reserves can be used to support the achievement of savings. However, we have built Reserves as part of the 21/22 budget setting process to provide us with resilience and flexibility over the medium-term where there is significant funding uncertainty. We are only getting to the point over the next year or so where we were at higher Reserves levels a number of years ago. We would look to prioritise those investments by using Reserves which provide a payback (in an invest to save approach). * The HR/Finance Panel (inc. the Chief Executive and Chief Finance Officer) 	<ul style="list-style-type: none"> * 22/23 Draft Budget & MTFS was presented to S&R on 2nd Dec and was noted. The report will be updated based on the Provisional Settlement due on 16th December and presented as part of the Final Budget Report to Committees in Jan, to S&R on 1st Feb and FC on 10th Feb. A draft balanced budget has been presented and there is confidence that the a final budget will also be balanced with minimal use of Reserves. The 21/22 position is challenging due to the commercial environment and now that the 20/21 has been approved by S&R on 2nd Dec, monthly Finance Reports on the position will be sent to Members. If we do not

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								approve all new appointments (permanent and interim) and extensions. * Arbitrary cuts to budgets can be enforced but this is a blunt instrument and better done in a targeted way.	end the year in a balanced position, any deficit will need to be taken from Reserves.
CS6	Governance	Inability to carry out waste collection service in-line with the performance management framework	* Waste left on the street. * Environmental impact. * Poor reputation for Council. * No alternative for residents.	Locality Services Manager	4	3	12	* Hierarchy of services has been agreed for when/if there is insufficient staff. * Process in place for Biffa to provide a daily update when staff absent, including the rectification proposals. * Monitoring availability of agency staff. * Surrey Waste Officers Group meet monthly to understand issues across	* Situation is as previously recorded. The hierarchy of services has been reviewed and is still fit for purpose. Other Surrey Waste Collection Authorities have reported issues with loader availability

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		service standards						the County and to horizon scan for any upcoming issues based on others experiences.	through temp agencies and the situation will remain under review.
SR4	Programme	Resources unavailable to progress climate change action plan in set timescales	<ul style="list-style-type: none"> * Delays to reducing the council's operational carbon emissions as early as possible, and in line with the 2030 ambition. * Negative impact on council's reputation in this area. 	Chief Executive	4	3	12	<ul style="list-style-type: none"> * Red due to resources remaining strained and causing delays to AP actions. * Reporting lines for Programme established – including to management team * Regular comms between PMO and delivery officers. * Agree to tolerate residual risk as programme is not one of the Council's critical / statutory services. 	<ul style="list-style-type: none"> * New risk added to the register 12/10/21 at Executive Leadership Team meeting. * Council's role and resourcing requirements reviewed in line with Surrey Greener Futures Plan. * Review of potential actions across the Council's services to then be allocated to service committees for 22/23

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SR5	Governance	Senior management vacancies inhibit corporate performance and improvement	<ul style="list-style-type: none"> * Negative impact on corporate performance * Impact on corporate governance * Limit progress on internal audit and corporate improvement work * Increase corporate instability * Increase staff anxiety with lack of / unclear strategic direction 	Chief Executive	3	3	9	<ul style="list-style-type: none"> * Chief Executive progressing recruitment to the vacant Chief Planning Officer post, and assessing most appropriate solution to replace the Executive Head of Corporate Resources who will leave the Council at the end of July 21. 	<ul style="list-style-type: none"> * Senior management restructure underway to be implemented for June 2022 * MT/EMT arrangements improved and now working more closely together on corporate priorities.
P17	Programme	The Planning Transformation fails to deliver its objectives within set timescales	<ul style="list-style-type: none"> * Unable to address several red development management risks. * Poor customer services. * Increased costs if temporary staff are required for longer than expected, and unsound council decisions on applications are made and then overruled by planning inspectorate. * Unable to accurately report on the performance of the service. * Potential failure of statutory duty. * Poor staff morale. 	Interim Chief Planning Officer	2	4	8	<ul style="list-style-type: none"> * Project reporting to Planning DLT provides clear route to escalation of issues. * Interim Chief Planning Officer in Place. * Project resource in place. * Staff consultation on Planning Transformation undertaken. * Roll-out of Planning Transformation from 04 January, 2020. 	<ul style="list-style-type: none"> * Business case for additional staffing and re-structure approved at Planning Policy Committee on 25th November. New structure will go live on 4th January 2022. Until key vacant posts are filled on a permanent basis the service is at risk. Temporary staff contracts need to be extended to cover off key posts if we fail to recruit permanent staff in the new year.

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SR10	Governance	Lack of robust and up-to-date safeguarding policies and procedures in place	<ul style="list-style-type: none"> * Risk of harm to children and vulnerable people. * Failure of statutory duty. 	Head of Customer Engagement and Partnerships	2	4	8	<ul style="list-style-type: none"> * Safeguarding project underway. * Mandatory online training module issued to all staff. * Safeguarding policies in place. * Safeguarding Officer in place. * Multi-agency safeguarding meetings in place. 	<ul style="list-style-type: none"> * New safeguarding officers identified across the Council. * New Policy drafted and submitted to MT for sign off by Mid February. * Safeguarding Audit to take place in March 22 * Councillor training rolled out to Councillors December 2021. Chaser sent to all councillors Jan 2022 to complete online training. * Creation of new online reporting form on Salesforce. Due to be live by mid February * Staff awareness briefings commenced to be rolled out in team meetings in February 2022.
SR9	Programme	The Tandridge Financial Transformation fails to deliver its objectives	<ul style="list-style-type: none"> * Negative impact on Council's finances and future financial sustainability. * Negative impact on staff morale. * Reputational damage. 	Chief Financial Officer & S151	2	4	8	<ul style="list-style-type: none"> * Programme team, risk register and plan in place. * Robust governance. * Regular reporting. * Communications and engagement covered in project plan. * Clear expectations regarding joint commitments set out in the Joint Working Agreement. 	<ul style="list-style-type: none"> * An update on the TFT was provided to the Strategy & Resources Committee on 11 Jan 2021.

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SR16	Governance	The Council fails to improve its governance framework in line with internal audit observations and other planned improvements to corporate governance	<ul style="list-style-type: none"> * Unable to deliver on Strategic Plan objective of "Building a Better Council". * Unable to address identified risks associated with the council's internal control environment. * Reputational damage. 	Chief Executive	2	4	8	<ul style="list-style-type: none"> * Internal audit action plan in place. * Corporate Improvement Plan in place. * Annual Governance Statement produced annually, which includes high priority governance improvement actions. * Corporate, internal audit and Audit & Scrutiny monitoring of governance action plans in place. * Internal Audit Plan produced annually. 	<ul style="list-style-type: none"> * New risk added to the register following ELT meeting 09/11/21. * Internal governance meetings streamlined to improve effectiveness.
H3	Financial	Current energy contract with Gazprom is terminated due to ongoing situation in Russia / Ukraine.	<ul style="list-style-type: none"> * Continuing with Gazprom as a supplier may be sensitive * Would need to procure a new contract at a much higher cost 	Executive Head of Communities	2	4	8	<ul style="list-style-type: none"> * Monitor situation * Liaise with, and take advice from, energy broker 	Statement from Inspired Energy on 28/02/2022 "At present there are no sanctions impacting Gazprom Marketing Ltd and we are doubtful that the UK government will impose these due to the amount of UK clients being supplied by Gazprom and the current amount of supplier disruption due to the market price crisis"

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SR14	Operational	Loss of some ICT systems and data due to disaster recovery solution not being in place	<ul style="list-style-type: none"> * Inability to recover IT services if a potential disaster occurred, severely impacting delivery of most Council business * Recovery of IT systems ineffective. * Data loss. 	Head of Digital Business Transformation and Democratic Services	1	4	4	<ul style="list-style-type: none"> * Agreed and procured disaster recovery solution. * Close monitoring of progress by ELT and internal audit. * Use of cloud based IT systems and system-level back-ups. * Continuance of overnight back-up tapes. 	<ul style="list-style-type: none"> * Risk re-worded to better reflect the risk. Likelihood lowered, as the likelihood of an incident that would render the relevant systems inoperative is unlikely. We have had some slippage in the delivery date, to October, due to supplier delays and internal capacity. However progress continues to be made, as the second site is now being setup.
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Update on Procurement and Standing Orders

Strategy & Resources Committee 7 April 2022

Report of: Procurement Specialist

Purpose: For decision and for information

Publication status: Unrestricted

Wards affected: All

This report supports the Council's priority of: Building a better Council
Creating the homes, infrastructure and environment we need
Supporting economic recovery in Tandridge
Becoming a greener, more sustainable District

Contact officer John McGeown Procurement Specialist
jmcgeown@tandridge.gov.uk

Executive summary:

The purpose of this report is:

- to replace the Council's existing Contract Standing Orders with the proposed updated contract standing orders as set out in the attached '**Appendix A**'
 - to report against the set of standard Key Performance Indicators ('KPI's) for procurement agreed at the S&R Committee on 2 Feb 2021
 - to report on the number of and reasons for CSO waivers as agreed at the S&R Committee on 2 Feb 2021 – '**Appendix B**'
 - to inform Members of the progress of the Procurement Improvement Plan aimed at identifying and realising savings during financial year 21/22 as set out in attached '**Appendix C**'
-

Recommendations to Committee:

That:

- A. the changes to the Contract Standing Orders ('CSOs') as set out in Appendix A be agreed;
 - B. the procurement performance referred to in Section 2 be noted;
 - C. the volume and value of waivers from CSOs at Appendix B be noted; and
 - D. the progress of the Procurement Improvement Plan at Appendix C be noted.
-

Reason for recommendation:

Since the current version of the Contract Standing Orders was approved by this Committee in February 2021, there are several amendments required as a result of changes in Public Contract Regulations. The proposed changes will also improve internal governance and procedures. It is recommended that Members accept the new revised version of the Contract Standing Orders and that they recommend acceptance by Full Council.

1. CHANGES TO CSOs

Introduction and background

- 1.1 Section 135 of the Local Government Act 1972 requires Local Authorities “to make standing orders with respect to the making by them or on their behalf of contracts for the supply of goods or materials or for the execution of works”.
- 1.2 Contract Standing Orders (‘CSOs’) form part and are included within the Council’s Constitution and set out the minimum obligations and minimum requirements to be followed by Officers when making purchases with third parties. It is one of the core Council’s governance documents and should therefore reflect both legal and best value requirements.
- 1.3 A requirement of the existing CSO’s is that they are reviewed and updated as necessary with any such recommendations made by the Procurement Specialist, implemented by the Legal Services Team and considered by this Committee. Following which, they are to be presented to Full Council for adoption.
- 1.4 Changes to the CSOs were agreed at the February 2021 Committee Meeting and included:
- Reference to the new UK e-notification service ‘Find a Tender’ (FTS) that replaced OJEU as a means of publication of official procurement notices.
 - Removal of references to EU and OJEU
 - Updated references to relevant regulations and legislation
- 1.5 A summary of proposed main amendments to the CSOs are detailed below and with the full Contract Standing Orders, including tracked proposed amendments, found in **Appendix A**.

Summary of Proposed Main Amendments to Contract Standing Orders

PARAGRAPH NUMBER	REASONING FOR PROPOSED AMENDMENT
1.1	Provides clarity that the CSOs apply to all staff including external consultants.
1.4	Clarifies that if the CSOs are inconsistent with UK Regulations then UK law takes precedence.
2.2.10	More detailed process for the use of external legal advice to ensure a greater degree of governance and achievement of value for money.
2.5	Clarification of requirement for Chief Officer to ensure there is a business need for all proposed contracts, to ensure a high level of governance.

8.5	Updated guidance on the Council's bribery policies to ensure greater awareness of these and improve governance and effectiveness of those policies.
8.5 OLD CLAUSE DELETED	This clause related to contract terms to be included re anti bribery provisions. This has been moved further down the CSOs.
8.10	Advice added regarding the re-tendering of a contract to which an officer has a financial interest. Included to ensure better transparency and governance.
12.2.1	New clause added to make it clear to an Officer starting a procurement exercise that they must have the approval from their head of service and Finance Business Partner. This is to ensure an earlier level of financial oversight and improve efficiency of process within the Council.
14.5 & 14.6	New provisions re the inclusion of VAT when calculating certain procurement thresholds, as set out by Government.
16.5	Procurement threshold updated in line with Government announcement.
TABLE 1	<p>A new table has been added to replace the previous table detailing procurement thresholds and procedure. The changes state that:</p> <ul style="list-style-type: none"> • all contracts (regardless of value) must be signed by an Approved Signatory. This is to ensure that all contracts undergo a good level of governance and are reviewed by the Legal Services Team; • the Legal Services Team have discretion to recommend a different form of contract to the default proposed in the table. This aids efficiency and better ensures the Council always contracts on the most effective basis.
16.7	Procurement thresholds have been updated in line with Government announcement.
18.7	A new paragraph has been added enabling utility contracts to be approved with the agreement of the Head of Finance and the Executive Head of Communities. This is proposed because of the volatility of the utility markets and the need to immediately accept offers to secure best value for the Council.
31.1	Reference to the Strategic Director of Resources has been removed as the post is not currently utilised and has been vacant for a long period of time.
31.2	Provision added to enable the Council to seal deeds electronically. Currently deeds are physically sealed in the Council Offices, which causes delay. Requiring that deals are sealed in hard copy is unnecessary in the strive for good governance. E-sealing enables deeds to be executed in an efficient manner and does not require staff to be physically present in the office. Many organisations do not physically seal documents and requiring this is becoming outdated. E-sealing is efficient, provides good governance, reduces paper wastage and facilitates good record keeping.

31.5 & 31.6	New paragraphs to make it clear that the Legal Services Team should be consulted on all contracts to ensure there is a clear governance audit trail.
32	The standard clauses to be included in contracts have been updated to give the Legal Services Team a greater degree of flexibility to adapt to different legal and commercial situations. The aim of this amendment is to ensure the Council can contract on the most appropriate terms for each individual situation.
32.2.6	An additional contract requirement has been added to make it a requirement that contracts reference the Council's obligations under Freedom of Information and Data Protection legislation.
32.7.3	In line with the other insurance provisions, the amended clause states that the CFO can agree to reduce the requirement for a supplier to carry £10m of employer's liability insurance.
33.3-33.4	The responsibilities of a Contract Manager have been set out in more detail to ensure a better level of governance.

2. PROCUREMENT PERFORMANCE

2.1 Procurement Performance is measured against several Key Performance Indicators identified by Internal Audit and agreed at the Committee in February 2021.

2.2 KPIs

KPI	Measure	Measured From	Target	Collection Period	Reporting Regime	Performance
						Jan-Dec 2021
1	Savings achieved as a result of a procurement process	In-tend	No Target in year 1	Quarterly	Annual	-£282,196
2	% of procurement transactions greater than £5k captured on in-tend	PAR Library/In-tend	95% in year 1 100% thereafter	Quarterly	Annual	91%
3	% of spend with 100 top suppliers currently compliant with CSOs	Agresso / In-tend	80% in year 1 100% thereafter	Bi-annual	Annual	97%
4	Number of Contract values awarded to within 10% of pre-contract estimated value	In-tend	95% in year 1 100% thereafter	Quarterly	Annual	90%
5	Number/Value of current CSO waivers in force	CSO Library	n/a	Quarterly	Annual	Number = 19 Value = £293,863
6	Number of contracts awarded to local SMEs	In-tend	n/a	Quarterly	Annual	1

2.3 A full breakdown of all Procurement Activity Requests can be found in Background Paper '**PAR Analysis 2021**'

2.4 **Commentary:**

- (i) **Savings.** Refer to '**PAR Analysis 2021**'. This identifies the saving (or overspend) achieved following a procurement exercise against the approved value of the Procurement Activity Request (PAR). Additional savings are also identified.
- (ii) **In-tend.** All Requests for Quote and Invitations for Tender should be processed via In-tend (the Council's tendering portal). However, due to the departure of several key procuring officers this has not always been possible. Quotes have been obtained via email instead.
- (iii) **Compliant Spend.** Contracts are in place with all Top 100 suppliers (where relevant). However, there is spend with 4 suppliers (operating under an ongoing SLA) for voids works on empty Council owned properties that was due to be tendered in 2021. However, due to the departure of two key staff managing this spend the procurement exercise has been delayed until the new Property Services Manager commences work in April 2022.
- (iv) **Awards within 10%.** It should be noted that where a contract award is greater than the amount approved at the PAR stage the contract award must go back to the Corporate Procurement Board for approval.
- (v) **CSO Waivers.** As per section 3 below.
- (vi) **Local SMEs.** This refers to the number of contracts awarded to local SMEs during 2021, and not the total number of contracts in place with local SMEs.

2.5 **Procurement Board**

2.5.1 The Corporate Procurement Team consists of:

- Chief Executive (deputised by Executive Head of Communities)
- Chief Finance Officer (S151)
- Head of Legal Services & Monitoring Officer
- Procurement Specialist

2.5.2 The purpose of the board is to:

- have oversight and scrutiny of the Council's commercial activities, primarily commissioning and procurement;
- review and approve commercial activities at key stages of the commissioning and procurement lifecycle;
- ensure alignment with corporate priorities, corporate objectives and ensure value for money; ensure compliance with CSOs;

- to approve all procurement expenditure over £5k;
- ensure that the procurement of goods and services achieve value for money;
- provide a forum for sharing expertise, learning and good practice between departments.

2.5.3 The board has met monthly with the following agenda:

- Procurement Activity Request (PAR) for approval
- CSO Waivers for approval
- Progress update on previously approved PARs
- Review of upcoming expiring contracts
- Current contract performance update
- Top100 spend review
- Procurement Pipeline update
- Procurement Card spend review

2.5.4 The board approved 75 Procurement Activity Requests in the 12 months to December 2021 with a total value of £14,026,339.

2.5.5 Under the Contract Standing Orders the Procurement Board is the main Officer forum for procurement decisions. The Corporate Procurement Board has the power to waive the CSOs in specific circumstances and agree waiver decisions.

3. WAIVERS FROM CSOs

3.1 The requirement for a report to Members on the number of and reasons for CSO waivers was identified by Internal Audit and agreed at the S&R Committee in February 2021.

3.2 CSO 4 details the permitted exceptions from all or part of CSOs provided that the CPB has given prior approval by means of a CSO waiver. All waivers from CSOs are approved by the CPB.

3.3 A summary of all CSO Waivers approved in 2021 is provided below, the full list is provided in **Appendix B**.

Reason for Waiver	Volume	Value
Extension	8	£108,402
Single Supplier	5	£59,307
Urgency	3	£48,000
Other	3	£78,154
	19	£293,863

4. PROCUREMENT IMPROVEMENT PLAN

- 4.1 A Procurement Improvement Project (PIP) was initiated in February 2021 with the primary aim to achieve savings in FY 21-22.
- 4.2 The project also aimed to identify process improvements aimed at achieving savings in future years.

Objectives of the Project

- 4.3 The primary objectives of the project are to:
- (i) Deliver the budgeted savings for FY 21-22
 - (ii) Identify and deliver additional savings in FY 21-22 - by means of a systematic review of all contracts expiring by 31/3/22
 - (iii) Identify savings against longer term contracts that will carry through to FY 22/23 and 23/24 and beyond.
 - (iv) Identify and implement process improvements that facilitate compliance and transparent procurement to achieve maximum cost efficiency in both the short and longer term.

Project Timeline

- 4.4 The initial data gathering has commenced and while the contract reviews are scheduled to be completed by the end of March 2021 the re-procurement of new contracts will continue throughout the financial year to March 2022

Progress Report

- 4.5 A systematic review of all contracts expiring by 31/3/22 was completed by all contract owners
- 4.6 Savings against longer term contracts that will carry through to FY 22/23 and 23/24 and beyond were identified.
- 4.7 Process improvements were identified that facilitate compliance and transparent procurement to achieve maximum cost efficiency in both the short and longer term.
- 4.8 Non-Contract spend was identified and either stopped or competitively tendered contracts to be put in place.

Summary

- 4.9 Summary results of the progress to date are listed below. Refer also to **Appendix C** – PIP Progress Update.

4.9.1 Identified Contract Savings (Contracts expiring by 31/3/22)

Non-IT	21/22	22/33	23/24
	-£19,736	-£23,163	-£17,706

IT	21/22	22/33	23/24
	-£86,933	-£67,098	-£59,553

4.9.2 Process Improvements

Action	Owner	Deadline	Status
Add link to PO process to the Procurement Process Flow charts at each threshold	John McGeown	31/03/2021	Completed
Update Contracts Register User Guide in procurement pages on Sharepoint	John McGeown	31/03/2021	Completed
Update all active contracts with correct Contract Owner	Jacob Hughes	31/03/2021	Completed
Update all active contracts with default notification dates	John McGeown	31/07/2021	Completed
Automate the PAR process	John McGeown / Mel Thompson	TBA	On hold

4.9.3 No PO No Pay

Action	Deadline	Status
Send instruction to all Suppliers on No PO No Pay policy	31/11/20	Completed
Develop and obtain approval for No PO Pay policy. To include exceptions.	01/07/2021	Ongoing
Implement Policy	01/07/2021	Ongoing
Update TDC website 'Doing Business with the Council'.	01/07/2021	Ongoing

4.9.4 New Contracts

Supplier	Title / Category	Spend	Owner	Action	Target Date	Status
CA Barclay	Works to Council owned void properties	£450,000	Rob Preedy	Procurement of new contract for Void works -project kicked of 10-2-21.	01/04/2022	New Voids contract - procurement delayed to 04/22
Abbots Groundworks	Works to Council owned void properties	£144,000	Rob Preedy	Included in new Responsive Repairs Framework contract as of 1-4-21, as well as Responsive Repairs contract.	01/04/2021	New Voids contract - procurement delayed to 04/22
Cox Skips	Skips	£50,000	Rob Preedy	Part of a wider waste disposal review	TBC	Ongoing
Tersus Consultancy Ltd	Asbestos	£40,160	Rob Preedy	The terms of any new contact dependant on the implementation of the ProMaster system	01/10/2021	Ongoing
Cosgrove & Sons Locksmiths	Evictions, Voids (New Framework)	£27,264	Rob Preedy	Included in new Responsive Repairs Framework	01/04/2021	Completed
Christopher J Edwards Ltd t/a Oxted Drain Services		£24,750	Rob Preedy	NM. Procurement of new contract for Void works -project kicked of 10-2-21.	01/04/2022	New Voids contract - procurement delayed to 04/22
John Vicars		£22,572	Rob Preedy	NM. Procurement of new contract for Void works -project kicked of 10-2-21.	01/06/2021	New Voids contract - procurement delayed to 04/22
Balcombe Pest Control Ltd	Pest Control	£19,462	Nic Martlew	NM has meeting on 1 May to review. Update Required	01/06/2021	New Contract being procured
Elliot Baxter and 3WM	Stationary	£14,550	TBA	Single supplier for Office Supplies. Undertake review and procure single contract.	01/07/2021	Ongoing

Key implications

Comments of the Chief Finance Officer

There are no direct financial implications from this report.

Note that the savings within this document refer to procurement savings that are identified by comparing current contract value with awarded contract. In some respects, financial and procurement savings are different. Where the service budget in which the contract resides has financial savings to achieve, this can be through a combination of contract and other reductions.

There are financial savings within the Tranche 3 budget distribution that require the authority to find £150k of improved commercial value from external spend (£75k 22/23 and £75k 23/24).

The amendments to Contract Standing Orders and adoption of a set of standard KPI's for procurement will also strengthen current practice.

Comments of the Head of Legal Services

The purpose of Contract Standing Orders (CSO) is to set clear rules for the procurement of goods, works and services for the Council. The rules should ensure that the Council is fair and accountable in its dealings with contractors and suppliers. The CSOs are also intended to ensure that the Council obtains value for money and that it is taking good care of public funds. These are made in accordance with the requirements of Section 135 of the Local Government Act 1972.

The CSOs are kept under review and when necessary amendments are proposed to this Committee for consideration and recommendation on to Full Council. Additional changes are required to support the introduction of new regulations, technologies, inconsistencies in the current CSO's and minor drafting amendments. There are no legal reasons preventing Members from approving the recommendations in the report.

Equality

When considering its approach to contracting, the Council must have due regard to the need to eliminate unlawful conduct under the Equality Act 2010, the need to advance equality of opportunity and the need to foster good relations between persons who share a protected characteristic and those who do not (the public-sector equality duty). Officers are expected to continuously consider, at every stage, the way in which procurements conducted and contracts awarded satisfy the requirements of the public-sector equality duty. This includes, where appropriate, completing an equality impact assessment.

Climate change

The climate change action plan included the development of a new procurement strategy to further sustainability and carbon reduction via the Council's procurement activities. The strategy was approved by the corporate procurement board in April 2021 and includes a sustainable procurement clause that makes specific reference to the use of environmental products and a commitment to environmental construction, biodiversity and recycling.

Appendices

Appendix A – Changes to CSOs

Appendix B – CSO Waivers 2021

Appendix C – Procurement Improvement Progress Update

Background papers

PAR Analysis 2021

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APPENDIX A

CONTRACT STANDING ORDERS

(March 2022)

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GENERAL

1. Introduction

- 1.1. The purpose of these Contract Standing Orders (**CSOs**) is to establish clear rules for the procurement of all the Council's goods, works and services as required by section 135 of the Local Government Act 1972. They apply to all Council staff and external consultants ("Officers") with responsibility for letting Contracts.
- 1.2. The CSOs are put in place to ensure that the Council gets value for money for residents, complies with all legal requirements, minimises the risk of challenge/undue criticism, supports social value and sustainability and provides transparency as to how it spends public money.
- 1.3. All procurement and resulting Contracts made by or on behalf of the Council must comply with these rules as well as:
 - all applicable statutory provisions;
 - the UK Regulations 2015 and as of January 2021 the 'Public Contracts Regulations 2015 as amended by the Public Procurement (Amendment etc.) (EU Exit) Regulations 2019 and Public Procurement (Amendment etc. (EU Exit) (No.2) Regulations 2019 ('Withdrawal Regulations')
 - the Council's constitution, including the Financial Regulations and the Scheme of Delegation to Officers.
- 1.4. These CSOs have been written to reflect the current legislative requirements; however, in the event of any inconsistencies between these CSOs and the requirements of the UK Regulations the latter will take precedence.
- 4.4.1.5. The Thresholds referred to in these CSOs and the appropriate process to follow are set out in **Table 1**.
- 4.5.1.6. These CSOs are supported by the Procurement Toolkit which provides practical and more detailed advice about how to undertake a procurement exercise, including access to a suite of template documentation.
- 4.6.1.7. The Procurement Specialist is responsible for ensuring the CSOs are up to date and reflect current legislation.
- 4.7.1.8. Any query regarding the application or interpretation of these CSOs must be referred in the first instance to the Procurement Specialist.
- 1.9. For the purposes of these CSOs, where there is a requirement for communication to be in writing, this shall be deemed to include e-mail as well as hard-copy.
- 4.8.1.10. Words or phrases that begin with an initial capital letter, initialisms and acronyms are defined in the CSOs.

2. Scope

2.1. A Contract for the purposes of these CSOs is any arrangement made by, or on behalf of the Council ~~for~~ regardless of value including Concession Contracts):

- 2.1.1. The supply of goods
- 2.1.2. Execution of works
- 2.1.3. The delivery of services
- 2.1.4. The hire, rental, repair, maintenance or lease of goods or equipment.

2.2. [Sections 12-30 of T](#) these CSOs do not apply to:

- 2.2.1. Contracts of employment for members of staff including members of staff sourced through employment agencies.
- 2.2.2. Contracts for the purchase or sale of land (including leasehold interest)
- 2.2.3. Grants given by the Council either where the Council is giving or receiving a grant
- 2.2.4. Loans to or from banks or other financial institutions
- 2.2.5. Provision of emergency accommodation as required by the Homeless Act 2002
- 2.2.6. Subscriptions to magazines/publications/online resources/professional journals/professional memberships
- 2.2.7. Call-offs from Contracts procured in compliance with these CSOs
- 2.2.8. Where there is a joint procurement with one or more public sector authority or where the Council is part of a public-sector consortium where the Council is not the lead authority and the Contract complies with the lead authority's CSOs
- 2.2.9. Collaborative proposals for joint working or shared services with other public authorities which the CPB has approved as meeting the conditions set out below, where the principal activity of the collaborative arrangement is the provision of services back to the participating authorities:
 - The collaborating public authorities when acting together exercise the same kind of control over the service provision as they would over inhouse service provision and
 - There is no independent or private sector partner involved in the collaborative arrangement
- 2.2.10. ~~Requests for Counsel's opinion (up to £10k) without the need to advertise or seek alternative quotes where the Head of Legal Services is satisfied that the appropriate specialism is not obtainable elsewhere and that value for money is achieved. External legal advice. The Head of Legal Services and Monitoring Officer commissions all external solicitors, counsel, experts within Legal Proceedings (actual or contemplated) and arbitrators /adjudicators. The engagement of barristers, experts and adjudicators/arbitrators in construction disputes shall be subject to completion of a formal letter, contract of appointment or brief. The barrister, expert or arbitrator /adjudicator or chambers must either be named in the relevant Contract or be on an approved list maintained by the Head of Legal Services and Monitoring Officer for this purpose and the appointment shall be approved by the Head of Legal Services and Monitoring Officer. Where there is no approved list, then the Head of Legal Services and Monitoring Officer will determine the method of selection, likely to be appointed from a list maintained by a third party. The engagement of external solicitors shall be made via the Surrey Legal Alliance Solicitors Framework. In appropriate cases the Head of Legal Services and Monitoring Officer may dispense with the requirement to appoint from the Surrey Legal Alliance Solicitors Framework. Appointment shall be made by formal letter or appointment contract, once approved by the Head of Legal Services and Monitoring Officer. In exceptional cases the Head of Legal Services and Monitoring Officer may authorise the use of external solicitors not on the Surrey Legal Alliance Solicitors Framework. Requests for such advice (up to £10k) can be obtained without the need to advertise or seek alternative quotes subject to the Head of Legal Services and Monitoring Officer being satisfied that the appropriate specialism is not obtainable elsewhere and that value for money is achieved.~~

2.3. All other Contracts made by or on behalf of the Council must comply with these CSOs unless there is an Exception (CSO 4).

2.4. [All contracts are subject to the provisions of clause 301 – 35.](#)

2.5. Under the Local Government (Contracts) Act 1997, local authorities can enter into contracts with third parties in connection with any of their functions. However, first the Chief Officer must be able to demonstrate there is a business need for the proposed Contract.

2.3.2.6.

3. Compliance

- 3.1. All ~~members of staff~~Officers procuring goods or services on behalf of the Council must comply with these CSOs (except where Exceptions are obtained in advance) and the requirements of all relevant and applicable legislation.
- 3.2. Failing to comply with these CSOs when letting Contracts could result in legal challenge. Therefore, ~~employees~~Officers have a duty to remain familiar with these CSOs and to adhere to them at all times.
- 3.3. Breach of the CSOs will be taken very seriously as they are intended to both protect public money and demonstrate that the Council takes its role as a guardian of public money extremely seriously. Should an ~~officer~~Officer be found to be in breach of these rules then it may be treated as gross misconduct and could result ultimately in the dismissal of the ~~employee~~Officer. Similarly, anyone having knowledge of a failure to follow these rules must report a breach of these rules to the relevant ~~Chief Officer~~Management Team as soon as possible afterwards. Any failure to report a breach by ~~a member of staff~~an Officer may also be treated as gross misconduct and could result in the ~~officer~~Officer being dismissed. Concerns can also be raised via the procedures set out in the Council's Whistleblowing Policy or the ~~Anti Money Laundering Guidelines~~ Money Laundering Policy set out ~~in in~~ the Council's ~~Conditions of Services~~sharepoint page – Policies and Protocol and the Hub.
- 3.4. Procuring Officers must comply with all staff policies and must not invite or accept any gift or reward in respect of the award or performance of any Contract. It will be for the Officer to prove that anything received was not received corruptly. High standards of conduct are mandatory. Corrupt behaviour may lead to dismissal.
- 3.5. Staff must not deliberately break down a Contract with the intention of disaggregating spend for the purpose of avoiding the appropriate governance.

3.5.3.6. Any ~~staff member~~Officer who is unclear as to the requirements of these CSOs should contact the Procurement Officer or the Legal Team to discuss.

4. Exceptions and Waivers

- 4.1. The following circumstances represent permitted exceptions from all or part of CSOs provided that the CPB has given prior approval by means of a CSO waiver, where:
 - 4.1.1. only one supplier is able to carry out the works or services and where no satisfactory alternative is available because of:
 - technical or artistic reasons or because of exclusive rights
 - statutory undertakers that have a monopoly
 - the specialised nature of the work or service
 - 4.1.2. there is a variation (additional work) to an existing Contract where the variation is outside the scope of the Contract, but it would be inappropriate to offer the additional work to competition.
 - 4.1.3. there is an extension to the duration of an existing Contract provided that it is on the same terms and adequate budget provision has been made.
 - 4.1.4. there is a demonstrable and justifiable need to waive or vary one or more of the CSOs on the grounds of urgency, when, for example it is likely that not making the proposed exception to CSOs will lead to personal injury, damage to property or to the Council incurring additional liability or missing an opportunity to secure best value.
- 4.2. Lack of forward procurement planning does not represent a permitted exception.

- 4.3. Where a proposed Contract is likely to exceed the UK Find a Tender Threshold (previously OJEU), the Council has no authority to waive these CSOs.
- 4.4. For all waivers from CSOs written approval must be obtained by use of the CSO Waiver Form (Appendix A).
- 4.5. The named supplier on the exemption must be invited to submit their quotation through the Council's e-tendering portal.
- 4.6. All exemptions and waivers and the reasons for them, must be recorded in a register and reported annually to the S&R Committee.

5. e-Procurement

- 5.1. Electronic tendering is the mandated method of carrying out a Tender or Request for Quote (RFQ) exercise for procurements with an Estimated Total Contract Value exceeding £5,000.
- 5.2. The South East Shared Services portal on the In-tend platform is the Council's approved e-procurement platform.
- 5.3. A full user guide is provided in the Procurement Toolkit, a link can be found [in the Council's sharepoint page on the hub](#).

6. Transparency

- 6.1. In accordance with the Local Government Transparency Code 2015 local authorities must publish details of any Contract, commissioned activity, purchase order, framework agreement and any other legally enforceable agreement with a value that exceeds £5,000.

- 6.2. This information is held in the Contracts Register, and an export is uploaded to the Council's public website quarterly.

- 6.3. In order to capture contract information in the Contracts Register all Contracts over £5,000 must be published on In-tend.

- 6.3-6.4. All Contracts valued over £25,000 must also be advertised on Contracts Finder unless a Closed group is used (Closed group –refers to the use of a selected shortlist of suppliers e.g. a Constructionline shortlist).

- 6.4.6.5. All Contract awards over £25,000 must also be published on Contracts Finder, whether advertised or not.

- 6.5-6.6. Contracts over the current UK Find a Tender Threshold (previously OJEU) additionally must be advertised via the Find a Tender Service (FTS).

7. Freedom of Information

- 7.1. In accordance with the Freedom of Information Act (FOIA) 2000 and Environmental Information Regulations (EIR) 2004, we have an obligation to publish specific information and to provide information to members of the public upon request.

- 7.2. By exception confidential or commercially sensitive information may be withheld. Suppliers should be given the opportunity to identify areas of their tender submission they do not wish to be disclosed.

8. Conflict of Interest

- 8.1. Officers must avoid any conflict between their own interests and the interests of the Council. This is a requirement of the Council's Code of Conduct for Staff and includes:

- 8.1.1. not accepting gifts or hospitality from organisations or suppliers that the Council has dealings with;
- 8.1.2. not working for organisations or suppliers that the Council has dealings with;

- 8.1.3. notifying the CPB in writing if an ~~Officer~~ has links with an organisation or supplier who is tendering or quoting for a Contract with the Council or already has a Contract with the Council. (For example, a family member or close friend works for the organisation).
- 8.2. Token gifts of a very small value like pens marked with a company name, or calendars, which might be seen as advertisements, are acceptable.
- 8.3. Officers and Councillors should notify the Head of HR and the Head of Legal Services and Monitoring Officer of any gifts received 'out of the blue' other than the token gifts outlined in CSO 8.2. The Head of Legal Services and Monitoring Officer and the Head of HR respectively will record receipt of the gift and decide whether the gift should be returned or forwarded to a local charity.
- 8.4. An ~~officer's~~ Officer's and ~~councillor's~~ Councillor's interests shall not conflict with their public duty. An official position or information acquired in the course of employment or public office should not be used to further personal interests or for the interests of others.
- 8.5. All contract conditions need to contain robust terms that will allow the Council to terminate a contract where there have been acts relating to fraud, bribery, or corruption as defined under the Bribery Act 2010, and/or section 117(2) of the Local Government Act 1972; and/or the contractor/supplier has committed an act which is an offence under the Enterprise Act 2002. More information about the Bribery Act is available in the Council's Anti-Fraud and Corruption Policy.
- ~~8.5. The following clause (or suitable alternative drafted by the Council's Legal department Team) shall be put in every written Council contract:~~
- ~~"The Council may terminate this contract and recover all its loss if the Contractor, its employees or anyone on the Contractor's behalf does any of the following:~~
- ~~i. Offer, give or agree to give to anyone, any inducement or reward in respect of this or any other Council contract (even if the Contractor does not know what has been done);~~
~~or~~
~~ii. Commit an offence under the Bribery Act 2010 or Section 117 (2) of the Local Government Act 1972;~~
~~iii. Commit any fraud in connection with this or any other Council contract whether alone or in conjunction with Council members, contractors or employees~~
~~iv. Any clause limiting the Contractor's liability shall not apply to this clause."~~
- 8.6. If a ~~councillor~~ Councillor or an ~~officer~~ Officer has an interest, financial ~~or~~, otherwise, in a Contract, or proposed Contract, he/she must declare it in writing immediately to the Head of Legal Services and Monitoring Officer and Head of HR as soon as he/she becomes aware of the interest. A ~~councillor~~ Councillor or ~~officer~~ Officer who has an interest in a Contract must not take part in the procurement or management of that Contract.
- 8.7. Failure to comply with CSOs 8.3 is a breach of Council's Code of Conduct for Staff and Councillors and an offence in accordance with section 117 of the Local Government Act 1972.
- 8.8. The Head of Legal Services and Monitoring Officer must maintain a record of all declarations of interest notified by ~~councillors~~ Councillors and HR team of ~~officers~~ Officers.
- 8.9. All Consultants engaged to act on behalf of the Council must declare that they will avoid any conflict between their own interests or those of any of their other clients and the interests of the Council.
- 8.10. If a Member or an Officer of the Council or a Consultant working on the Council's behalf becomes aware that a Contract in which they have an interest is being re-tendered, they shall immediately give written notice to the Head of Legal Services and Monitoring Officer. Such written notice is required, irrespective of whether the pecuniary interest is direct or indirect. Consideration will then be given as to the appropriate action.

~~8.9.~~

9. Social Value

- 9.1. Social value is the term used to describe the additional value created in the delivery of a Contract which has a wider community or public benefit. This extends beyond the social value delivered as part of the primary Contract activity.
- 9.2. Social Value is the means by which the Council aims to meet its Climate Change objectives detailed in the Procurement Strategy.
- 9.3. Under the terms of the Social Value Act 2012 contracting authorities are obliged to consider wider social and environmental objectives alongside price and cost when evaluating tenders for services which are valued over the FTS Procurement Thresholds
- 9.4. The Council has extended this obligation to all Contracts valued over £100k.
- 9.5. The Council's procurement approach covers the following areas:
 - 9.5.1. Economic - boost to local economy including use of local suppliers, and creation of apprenticeships
 - 9.5.2. Environmental - including carbon reduction, recycling of materials, and use of sustainable materials
 - 9.5.3. Social and Well-Being - Engagement with local Voluntary, Community and Faith (VCFS) partners
- 9.6. The Procurement Activity Request Form identifies where Social Value criteria should apply to a proposed procurement.
- 9.7. Where the inclusion of Social Value opportunities has been identified, the relevant key performance indicators (KPIs) must be included within specifications and evaluation criteria, and monitoring and reporting of performance and achievements against the KPIs must be undertaken.

10. TUPE

- 10.1. When an employee of the authority or of a supplier providing a service may be affected by any transfer arrangement, Officers must ensure that the Transfer of Undertakings (Protection of Employment) Regulations 2006 (TUPE) issues are considered and obtain advice from HR before proceeding with Tenders or Quotations.

11. Information Governance and Data Protection

- 11.1. Procuring Officers must consider the information governance requirements of the Contract if they anticipate any Personal Data is to be processed as part of the Contract e.g. data protection, security of information, records management.
- 11.2. Where Personal Data may be processed as part of the Contract Procuring Officers must seek further advice from the [Legal Support Team](#).
- 11.3. Where Personal Data may be processed as part of the Contract, a Data Protection Impact Assessment tool must be completed. This will help the Council identify the most effective way to comply with its data protection obligations.
- 11.4. Where requirements are identified by the Data Protection Assessment, Procuring Officers must ensure that any requirements are considered and built into the Contract, and assessed where appropriate as part of the evaluation.

PREPARING FOR PROCUREMENT

12. Pre-Procurement

- 12.1. Before commencing a procurement process, officers must first check with the Procurement Specialist if there is an existing Contract in place for the goods, works or services required. If a Contract exists it must be used and no further quotations or tenders are required.
- 12.2. Where no such Contract exists Procuring Officers must ensure that:

12.2.1. They have approval from their Head of Service in principle for the proposed procurement exercise and that Finance have been consulted to confirm there are no financial matters which may impact the procurement proceeding in principle

12.2.1.12.2.2. They have conducted an options appraisal and identified that a procurement is required

12.2.2.12.2.3. There is adequate budgetary provision for the goods, services or works that they are procuring

12.2.3.12.2.4. a specification is prepared

12.2.4.12.2.5. An assessment, appropriate to the scale and scope of the Contract, of associated risks shall be undertaken by competent officers or Consultants to include, but not limited to, technical, commercial, health and safety and reputational risks posed to the Council.

12.3. Procuring Officers may consult potential suppliers prior to the issue of a Request for Quote or Invitation to Tender in general terms about the nature, level and standard of the supply, Contract packaging and other relevant matters. Records must be kept of this consultation.

12.4. Procuring Officers may seek or accept technical advice on the preparation of a specification from anyone who may have a commercial interest in bidding for the Contract provided that it does not prejudice the equal treatment of all potential Tenderers and distort competition.

13. Identification of potential suppliers

13.1. All procurement opportunities are advertised on the Council's tendering portal, and Contracts Finder if over £25,000.

13.2. All suppliers providing a Quote or Tender must be registered on the Council's tendering portal.

13.3. Constructionline should be used to identify suppliers for Works related Contracts.

13.4. Where a Closed Group of suppliers is to be invited to bid the CPB must be satisfied that only suitably qualified and capable suppliers are chosen.

14. Calculating Contract Value

14.1. Prior to commencing a procurement exercise Procuring Officers must estimate the aggregate value of the Contract. This will determine which Threshold the procurement falls under.

14.2. The total value of the Contract should be calculated by reference to the following (where one or more apply use the higher value):-

14.2.1. for fixed term Contracts the total price expected to be paid during the whole of the Contract period, including possible extensions.

14.2.2. where the Contract period is uncertain, multiply the price expected to be paid each month by 48 (where the value exceeds the FTS Threshold, other rules apply and you should seek advice from Legal Services);

14.2.3. if the Contract involves a series of separate transactions for the same type of item, the total value of the Contract is the expected aggregate value of all those transactions in the coming 12 months.

14.2.4. for feasibility studies, when the Contractor may potentially also carry out the work, it is the value of the scheme or Contract which may be awarded as a result.

14.3. Contracts must not be artificially separated so as to circumvent the application of any part of CSOs or UK Regulations.

14.4. Subject to CSO 14.5 the estimated total Contract value must exclude Value Added Tax (VAT) but must include all other taxes and duties.

14.5. The estimated total Contract value for Contracts at threshold 5 and above must include Value Added Tax (VAT) and all other taxes and duties.

14.4.14.6. The suggested, but not prescriptive, default for calculating VAT is to add an equal amount to the standard rate of VAT (currently 20%) to the contract estimation net amount. This would remove any problems of underestimating the contract value.

15. Approval

- 15.1. Before commencing on a formal procurement process at Threshold 2 or above, approval must be sought from the Corporate Procurement Board (CPB).
- 15.2. To seek approval a Procurement Activity Request (Appendix B) form must be completed and submitted to the CPB for approval to proceed.
- 15.3. Where the Contract value is above the FTS Threshold for goods and services (Threshold 5) approval must also be obtained from the relevant Committee.
- 15.4. Where the final contract award is greater than the value approved by the CPB, the award must be approved by the CPB.

FINANCIAL THRESHOLDS

16. Financial Thresholds and Minimum Procurement Requirements

There are 5 financial Thresholds that determine the minimum procurement process to be followed, detailed below and summarised in **Table 1**.

16.1. Threshold 1 – Below £5,000

- 16.1.1. A minimum of 1 written quote must be sought, this is only a required minimum and best practices dictates that multiple quotes be sought to prove value for money.
- 16.1.2. Quotes can be sourced via In-tend or e-mail.
- 16.1.3. Local suppliers should be asked to quote where appropriate.
- 16.1.4. Approval required from relevant SLT member
- 16.1.5. An official purchase order may constitute the Contract [if appropriate](#)

16.2. Threshold 2 – From £5,000 - £24,999

- 16.2.1. A minimum of 3 quotes must be sought.
- 16.2.2. All quotes must be obtained via In-tend.
- 16.2.3. CPB must approve the route to market.
- 16.2.4. An official purchase order may constitute the Contract
- 16.2.5. A Contract must be signed by an approved Contract signatory

16.3. Threshold 3 - £25,000 - £99,999

- 16.3.1. A minimum of 3 quotes or tenders must be sought.
- 16.3.2. The decision whether to use Request for Quote or a Tender is dependent on the complexity of the requirement. As a rule, a RFQ is to be used for Goods and a Tender for Services.
- 16.3.3. All opportunities must be published on In-tend and Contracts Finder.
- 16.3.4. For Works related Contracts Constructionline can be used to select a closed shortlist of suitable Contractors. If selecting from a Closed Group of suppliers there is no requirement to advertise on Contracts Finder
- 16.3.5. CPB must approve the route to market.
- 16.3.6. The Contract must be signed by an approved Contract signatory

16.4. Threshold 4 - £100,000 – FTS Threshold (previously EU)

- 16.4.1. A minimum of 4 tenders must be sought.
- 16.4.2. The Invitation to Tender process must be followed.
- 16.4.3. All opportunities must be published on In-tend and Contracts Finder.
- 16.4.4. For Works related Contracts Constructionline can be used to select a closed shortlist of suitable Contractors. If selecting from a 'Closed' group of suppliers there is no requirement to advertise on Contracts Finder.
- 16.4.5. CPB must approve the route to market
- 16.4.6. The Contract must be signed by an approved Contract signatory

16.5. Threshold 5 - Over FTS Threshold (currently ~~£189,330~~[213,477](#) and ~~£4,733,252~~[5,336,937](#) for Works)

- 16.5.1. A minimum of 5 suppliers must be invited to tender
- 16.5.2. All tenders must be advertised on In-tend and Contracts Finder.
- 16.5.3. The opportunity must also be published on FTS.
- 16.5.4. One of the four prescribed routes (Open, Restricted, Competitive Dialogue or Competitive Procedure with Negotiation) must be used.
- 16.5.5. Relevant Committee and CPB must approve the route to market.
- 16.5.6. The Contract must be signed by an approved Contract signatory

16.6. Contracts Sourced via a Framework

- 16.6.1. The above Thresholds also apply where a Contract is sourced via a Framework or Dynamic Purchasing System, but there are key differences relating to the minimum number of quotes/tenders that must be sought. Refer to **CSO 18**.

TABLE 1.
Procurement Thresholds and Contract Award Procedure Summary

The table sets out the general rules applying to the choice of procedure for Contracts at the stated financial values:

Aggregate Value	£0 - £4,999	£5,000 - £24,999	£25,000 - £99,999	£100,000 - FTS Threshold*	Above FTS Threshold	Additional / Different Requirement if Procured via a Framework	
						Below FTS Threshold	Above FTS Threshold
Threshold	1	2	3	4	5	2-4	5
Procedure	Quote	Quote	Open (or Closed*)	Open (or Closed*)	Open, Restricted, CD, CPN,	Framework	Framework
Process	RFQ or email	RFQ	RFQ or Tender	Tender	Tender	Direct Award or Mini Competition or Direct Award	Direct Award or Mini Competition or Direct Award
Minimum No. of quotes / tenders that must be sought	1	3	3	4	5	As per specific Framework rules	As per specific Framework rules
In-tend - Advert	No	Yes	Yes	Yes	Yes	No	No
Contracts Finder - Advert	No	No	Yes	Yes	Yes	No	No
Contracts Finder - Award Notice	No	No	Yes	Yes	Yes	Yes	Yes
FTS	No	No	No	No	Yes	No	No
Approval	SLT Member	CPB	CPB	CPB	Relevant Committee	CPB	Relevant Committee
Required Contract Type (unless otherwise advised by the Legal Team)	PO with standard TDC T&C	PO with standard TDC T&C	TDC contract (Works = JCT*)	TDC contract (Works = JCT*)	TDC contract (Works = JCT*)	Framework Call off	Framework Call off
Contract Award	Delegated Officer	Head of Service	Head of Service	Head of Service	Committee	Head of Service	Committee
Contract signed by	Approved Signatory	Approved signatory	Approved signatory	Approved signatory	Approved signatory	Approved signatory	Approved signatory

Aggregate Value	Additional / Different Requirement if Procured via a Framework						
	£0 - £4,999	£5,000 - £24,999	£25,000 - £99,999	£100,000 - FTS Threshold*	Above FTS Threshold	Below FTS Threshold	Above FTS Threshold
Threshold	1	2	3	4	5	2-4	5
Procedure	Quote	Quote	Open (or Closed*)	Open (or Closed*)	Open, Restricted, CD, CPN,	Framework	Framework
Process	RFQ or email	RFQ	RFQ or Tender	Tender	Tender	Direct Award or Mini Competition or Direct Award	Direct Award or Mini Competition or Direct Award
Minimum No. of quotes / tenders that must be sought	1	3	3	4	5	As per specific Framework rules	As per specific Framework rules
In-tend - Advert	No	Yes	Yes	Yes	Yes	No	No
Contracts Finder - Advert	No	No	Yes	Yes	Yes	No	No
Contracts Finder - Award Notice	No	No	Yes	Yes	Yes	Yes	Yes
FTS	No	No	No	No	Yes	No	No
Approval	SLT Member	CPB	CPB	CPB	Relevant Committee	CPB	Relevant Committee
Required Contract Type	PO with standard TDC T&C	PO with standard TDC T&C	TDC contract (Works = JCT*)	TDC contract (Works = JCT*)	TDC contract (Works = JCT*)	Framework Call off	Framework Call off
Contract Award	Delegated Officer	Head of Service	Head of Service	Head of Service	Committee	Head of Service	Committee
Contract signed by	PO	Approved signatory	Approved signatory	Approved signatory	Approved signatory	Approved signatory	Approved signatory

For below FTS (previously EU) Threshold procurements (£5k - £213,477,489k)

- Minimum of three quotes or tenders sought (can be Closed, Restricted or Open)
- For Works related projects Constructionline can be used to select shortlist of suitable Contractors
- If selecting from a 'Closed' group of suppliers (whether on Framework or not) there is no requirement to advertise on Contracts Finder
- An Open tender (above £25k) must be advertised on Contracts finder.
- All Contract awards above £25k must be published on Contracts Finder regardless of whether the opportunity was advertised*or not.

*FTS – refers to the FTS Thresholds detailed in 16.7 below.

*JCT – refers to the Joint Contracts Tribunal suite of construction related Contracts

*Closed – refers to the use of a selected shortlist of suppliers e.g. a Constructionline shortlist

16.7. FTS Thresholds as of January 2021

Table 2

Supplies	Services	Works	Concession Contracts	Light Touch Regime
£189,330,213,477	£189,330,213,477	£4,733,255,336,937	£4,733,252,336,937	£663,540

FTS thresholds are inclusive of VAT.

The financial Thresholds are updated every 2 years.

PROCEDURAL STEPS OF PROCUREMENT

17. Procurement Procedures Overview

17.1. General

- 17.1.1. The Council may apply any procedure that conforms to the UK Regulations in its procurement process.
- 17.1.2. Subject to CSO 4 (Exceptions and Waivers) the appropriate process set out in Table 1 must be followed for each procurement determined by the estimated value of that Contract.
- 17.1.3. Invitations to Tender or Requests for Quotations must be issued electronically (via email for Threshold 1 and via the Council's e-tendering portal for Threshold 2 and over).
- 17.1.4. All tenders or quotations must be returned to the Council electronically (via email for Threshold 1 and via the Council's e-tendering portal for all procurements at Threshold 2 or over).
- 17.1.5. A **Procurement Activity Request** must be completed and stored on e-tendering portal for each tender or quotation within or exceeding Threshold 2

17.2. Below FTS Threshold (Thresholds 1-4) - There are 3 available procurement routes:

- Framework; Invitation to Mini Competition or Direct Award (CSO 18)
- Request for Quote – (CSO 19) -£5k - £100k
- Open Procedure (CSO20) -over £25k

17.3. Above FTS Threshold (Threshold 5) - There are 5 available Procurement Procedures

- Framework; Invitation to Mini Competition or Direct Award (CSO 15)
- Open (CSO20)
- Restricted (CSO21)
- Competitive Dialogue (CSO22)
- Competitive Procedure with Negotiation (CSO23)
- Light Touch Regime (CSO 24)

18. Frameworks and Dynamic Purchasing Systems (DPS)

18.1. A Framework Agreement is a Contract that has been officially tendered for by another local authority, public sector organisation, Purchasing Consortium, or central Government.

18.2. A Dynamic Purchasing System is a fully electronic open Framework.

18.3. The Council encourages the use of Framework Agreements as it obviates the need for the Council to undertake a full tender process reducing timescales and the resource burden of procurement activity.

18.4. Contracts based on Framework Agreements must always be awarded in accordance with the rules set out within the Framework Agreement documentation. This may be either by:

- 18.4.1. undertaking a 'direct call-off' from the Framework Agreement, where the terms are sufficiently precise to cover the particular call-off requirements without re-opening competition and a Contract can be award directly to a Framework Supplier; or
- 18.4.2. By holding a 'further competition' in accordance with the rules set out in the framework, where the requirements are provided to the Framework Suppliers in the relevant lot of the framework, and the Framework Suppliers provide their responses and price in return.
- 18.4.3. If both options are available 'further competition' should be used.

18.5. In-tend must be used to run a Mini-Competitions.

18.6. Procuring Officers must ensure they are fully conversant with the rules, stipulations and eligibility of the Council to use the framework, as stated within the Framework Agreement. Failure to comply with the rules of a Framework Agreement could result in the Council being found in breach of the Regulations. If these rules are not sufficiently detailed for the Procuring Officer to be assured of the eligibility and requisite process, the Procuring Officer must engage with [the Procurement Specialist](#) to seek advice on the validity of the Framework Agreement.

~~18.6-~~18.7. [Utility procurement: Due to the volatility of the energy market, prices of water, diesel, electricity, gas, oil and petroleum fluctuate on a daily basis and the sums quoted by central purchasing bodies in this sector require immediate acceptance. In order to achieve the Best Value for the Council all decisions relating to energy procurement including award and/or the variation of contracts may be approved jointly by the Head of Finance and Executive Head of Communities. All decisions relating to the award of or variation of energy related contracts will be reported to the CPB for information purposes only.](#)

19. Request for Quotation (RFQ)

- 19.1. This procedure only applies for procurement ~~below~~ at Threshold 4 or below, where suppliers are requested to submit a quote for the requirements.
- 19.2. This process is simpler and shorter than the Invitation to Tender process reflecting a less complex requirement.
- 19.3. The decision whether to use Request for Quote or a Tender is dependent on the complexity of the requirement. As a rule, a RFQ is to be used:
 - for the procurement of Goods or Works rather than Services
 - Where Price is the only evaluation criteria
- 19.4. The RFQ must include;
 - A description of the works, goods or services being procured
 - A specification indicating the outcome required
 - Standard TDC Terms and Conditions
 - The evaluation criteria including any weightings
 - The Cost (pricing) mechanism and instructions for completing the tender sum response
 - The Quality and Service requirements and associated response form if applicable
 - The form and content of any method statements to be provided of applicable
- 19.5. RFQs may be published to a Closed Group of suppliers where it can be established that the Open Procedure will attract too many responses to be adequately evaluated and responded to.
- 19.6. A minimum of 3 suppliers must be asked to provide a quotation.
- 19.7. Suppliers should be selected in line with CSO13.
- 19.8. Quotations must be submitted via in-tend if over £5k.

20. Open Procedure (ITT)

- 20.1. This is a single stage process where all suppliers expressing an interest are invited to respond to an ITT. A pre-qualification stage is not permitted where the Contract value is below the FTS Threshold for Goods or Services. This procedure shall apply where:
 - the value of the Contract award will be below the FTS Threshold;
 - the value of the Contract award will be above the FTS Threshold and the Council has decided that a single stage tender is appropriate.
- 20.2. The ITT must include:
 - A description of the works, goods or services being procured
 - A specification indicating the outcome required
 - Terms and conditions of Contract
 - The evaluation criteria including any weightings
 - The Cost (pricing) mechanism and instructions for completing the tender sum response
 - The Quality and Service requirements and associated response form
 - Where there is a potential transfer of employees, the Council's view on whether TUPE will apply
 - The form and content of any method statements to be provided
- 20.3. For Works related Contracts where it can be demonstrated that the response to an open advertisement would generate such a large number of responses that the time spent in evaluating such tenders would be disproportionate to the value of the Contract Constructionline can be used to select a Closed Group of suppliers to be invited to submit tenders for below FTS Threshold Contracts.

21. Restricted Procedure (PQQ and ITT)

- 21.1. This procedure can only apply where the value of the Contract award will be above the FTS Threshold.
- 21.2. **Stage 1 – Pre-qualification**
 - 21.2.1. Suppliers respond to a Contract opportunity by submitting a Selection Questionnaire (“SQ”). This is used to establish their capability, experience and suitability.
 - 21.2.2. For any Works Contracts the national standard PQQ [PAS91 2013] must be used if you are following a restricted procedure. There is limited scope to amend this PQQ template. The PQQ can be found in the procurement toolkit.
 - 21.2.3. Upon receipt of the completed SQ the information will be evaluated.
 - 21.2.4. A minimum of 5 qualifying suppliers to be shortlisted for the next stage.
- 21.3. **Stage 2 – Invitation to Tender**
 - 21.3.1. Invitation to Tender documents published to the shortlisted suppliers from stage 1.
 - 21.3.2. If fewer than the required minimum number of suppliers either meet the minimum qualification requirements or express an interest, the CPB must be consulted to agree whether to seek additional tenderers.

22. Competitive Dialogue (Multi stage)

- 22.1. This procedure can only apply where the value of the Contract award will be above the FTS Threshold.
- 22.2. This method is used usually where the requirement is very complex and where specifications or outcomes of a solution have not yet been clearly defined. This will usually involve an initial shortlisting followed by an Invitation to Participate in Dialogue whereby initial proposals are made proceeding to various stages of dialogue to determine the final solution.
- 22.3. This is an extremely complex process and should not be undertaken without the prior approval of the CPB.

23. Competitive Procedure with Negotiation (Multi stage)

- 23.1. This procedure can only apply where the value of the Contract award will be above the FTS Threshold
- 23.2. This is a method which is used where the requirement requires design or innovation solutions which cannot be readily identified through market engagement, or dialogue is required to determine with sufficient precision the final legal and financial make up, but that minimum requirements and objectives can be identified prior to procurement. The process normally involves shortlisting of bidders who respond most robustly to the minimum requirements and objectives and then final negotiations are held on certain elements;
- 23.3. The competitive with negotiation procedure allows award following the initial ITT stage before negotiations have commenced providing this is stipulated in the tender documentation.
- 23.4. This is an extremely complex process and should not be undertaken without the prior approval of the CPB.

24. Light Touch Regime

- 24.1. This procedure can only apply where the value of the Contract award will be above the FTS Threshold
- 24.2. The Light Touch Regime (LTR) covers Health, Education and Social Care Contracts. As with all procurements, the process undertaken to award the Contract must be fair, open and provide for equal treatment.
- 24.3. This process should not be undertaken without the prior approval of the CPB.

25. Concession Contracts

- 25.1. Concession Contracts are governed by the Concession Contracts Regulations 2016 and not Contract UK Regulations.
- 25.2. They relate to the granting of a right to a third party to provide a service or an asset and transferring the opportunity to that third party to exploit the market and retain any profit it makes.
- 25.3. The granting of such Contracts should not be undertaken without the prior approval of the CPB.

General

26. Opening of Quotations and Tenders

- 26.1. All quotes and tenders (over Threshold 1) must be submitted electronically via the SE Shared Services portal.
- 26.2. All quotes and tenders must remain locked until the specified return date.
- 26.3. Any quotation or tender received after the specified date and time will be rejected.
- 26.4. In-Tend allows for all bids to be opened and recorded within the system alleviating the need to employ a bid opening committee to sign and witness the opening of bids. For the avoidance of doubt, the Procuring Officer running the procurement exercise can proceed to open the bids using the electronic opening ceremony independently.
- 26.5. The confidentiality of quotations, tenders and the identity of contractors must be preserved at all times and the information about one contractor's response must not be given to another contractor.

27. Supplier Assessment

- 27.1. No assessment of a suppliers financial standing is needed for Contracts estimated to be within Thresholds 1 or 2 unless the goods being purchased are a proprietary item, in which case a financial assessment must be conducted.
- 27.2. A financial assessment of potential suppliers must be undertaken for all Contracts estimated to be within or above Threshold 3
- 27.3. An assessment will be made of a Supplier's:
 - 27.3.1. financial stability and resources;
 - 27.3.2. insurances;
 - 27.3.3. technical and other relevant references;
 - 27.3.4. business continuity plans;
 - 27.3.5. qualifications and experience;
 - 27.3.6. environmental, ethical and employment policies;
 - 27.3.7. previous experiences.
- 27.4. A supplier that does not meet the Council's minimum requirements will not be accepted.

28. Evaluation of Quotations and Tenders

- 28.1. Quotations or Tenders will be evaluated strictly in accordance with the evaluation criteria published in advance. The available options are:
 - 28.1.1. Price only - accept the offer from the Contractor who, having satisfied the council's minimum requirements, has offered the lowest price.
 - 28.1.2. Price / Quality – where a price quality split is stipulated, the supplier who ranks highest over-all shall be awarded the Contract, this is otherwise known as the Most Economically Advantageous Tender (M.E.A.T).
 - 28.1.3. Where the most economically advantageous tender is to be sought, an assessment criteria and associated weightings will be specified in the ITT.
 - 28.1.4. The Procuring Officer must ensure that evaluation of tenders takes place involving suitably experienced officers to form "the evaluation panel". The results of the evaluation must reflect the consensus of the panel and be approved by the CPB.

28.2. Abnormally low Tenders (ALTs)

There is no definition in the Regulations of an abnormally low tender, but in practice, it will be identified where the tenderer's price is significantly lower than other tenderers. Where such a tendered price is received an explanation from the tenderer must first be sought. Where the evidence does not provide a satisfactory explanation, the tender can be rejected.

29. Contract Award Notice

- 29.1. Award notification letters must include the following debriefing information, and no additional details should be given without taking the advice of Procurement:
 - How the award criteria were applied:

- The name of the successful Tenderer(s);
- The score/price of the Tenderer, together with the score/price of the successful Tenderer;
- Details of the reason for the decision, including the characteristics and relative advantages of the successful Tender; and
- Confirmation of the date before which the Council will not enter into the Contract (i.e. the date after the end of the 'standstill period')

29.2. For all Contracts with a value exceeding the FTS Threshold a 10 stand-still period will apply, in compliance with PCR 2015 regulations.

29.3. If a decision is challenged by an unsuccessful Tenderer, after the issue of an award notification letter, the Procuring Officer must not award the Contract but immediately inform the relevant Chief Officer and the Procurement Officer and seek the advice of the Head of Legal [Services and Monitoring Officer](#).

30. Commencement of Work

30.1. No supply of work, supplies or services is to commence until a Contract is in place.

30.2. Proposed payment arrangements under a Contract must be discussed and agreed by the Chief Finance Officer in advance of any Contract being entered into. However, the Chief Finance Officer may issue guidance on approved payment arrangements.

CONTRACTS

31. Contract Sign Off and Sealing

31.1. A Contract can only be signed by one of the following:

- Chief Executive
- ~~Strategic Director of Resources~~
- Section 151 Officer
- Head of Legal [Services](#) and Monitoring Officer
- Legal Specialist

31.2. A Contract should normally be sealed where:

- the Council may wish to enforce the Contract more than six years after its end;
- the price paid or received under the Contract is a nominal price and does not reflect the value of the goods or services;
- where there is any doubt about the authority of the person signing for the other Contracting party;
- some Contracts with a value at or below Threshold 3;
- all Contracts above Threshold 3

Legal advice should be sought as to whether a Contract should be sealed. [Contracts may be sealed electronically where advised accordingly by the Legal Team.](#)

31.2 ~~All contracts must be signed by the Council before the contract provisions begin. Where there is the~~ hard copy contract documentation, along with confirmation of authority to enter into the contract (including any delegated urgent decision record, where appropriate) ~~this~~ must ~~therefore~~ be passed to the legal team for signing as soon as possible.

31.3 Where a Contract is to be signed underhand, electronic signatures may not be used where statute imposes a requirement for the document to be in writing with an original signature. Advice should be sought from the Head of Legal [Services and Monitoring Officer](#) where there is uncertainty. Examples include property transactions, transfer of securities, assignments of copyright etc.

31.4 Once the ~~hard copy~~ contract documentation has been signed and dated (completed), the officer must pass the documentation to the ~~L~~Legal ~~T~~eam and to the Procurement Specialist. The ~~L~~Legal ~~T~~eam will arrange for ~~the hard copy~~ documentation to be stored in the Council's strong room, in accordance with the Council's document retention policy. [Soft copy contracts will be stored in the ~~L~~Legal ~~T~~eam's document management system and a copy will be provided to the ~~e~~Officer.](#)

~~31.5 The ~~L~~Legal team should be consulted on all proposed contractual arrangements. A simple contract that on the face of it appears to have no financial cost to the Council may still have financial implications or need careful consideration as to the risks involved in entering into it.~~

~~31.6 Every contract that the Council enters into must have a demonstrable governance audit trail. No contract may be entered into without it first being established that there is appropriate governance in place. Please contact Legal Team for guidance if required.~~

~~31.7 Except in exceptional circumstances with the prior written approval of the CPB all Contracts must be signed or sealed before their commencement.~~

32. Contract Conditions / Form of Contract

All Contracts should be in writing ~~Contract~~ and on terms and conditions (including any provision for liquidated damages) as may be determined by the Head of Legal [Services and Monitoring Officer](#). [Standard contract clauses as detailed in this section 32 shall be used in all contracts, except where Officers consider that such clauses are not appropriate for the contract being considered. In these circumstances, Officers shall seek legal advice on appropriate contract clauses from the Legal Team.](#)

~~32.1. The following clause (or suitable alternative drafted by the Council's Legal Team) shall be put in every written Council contract:~~

“The Council may terminate this contract and recover all its loss if the Contractor, its employees or anyone on the Contractor’s behalf (whether with or without the knowledge of the Contractor) does any of the following:

- i. Offers, gives or agrees to give to anyone, any inducement or reward for doing or forbearing to do or for having done or forborne to do any action in relation to the obtaining or execution of the Contract or any other Contract with the Council or for showing or forbearing to show favour or disfavour to any person in relation to the Contract or any other Contract with the Council (even if the Contractor does not know what has been done); or
- ii. Commit an offence under the Bribery Act 2010 or Section 117 (2) of the Local Government Act 1972 and/or the Contractor has committed an act which is an offence under the Enterprise Act 2002;
- iii. Commit any fraud in connection with this or any other Council contract whether alone or in conjunction with Council members, contractors or employees
- iv. Any clause limiting the Contractor’s liability shall not apply to this clause.”

~~32.1. There shall be inserted in every such written Contract a clause empowering the Council to terminate the Contract and to recover from the Contractor the amount of any loss resulting from such termination, if:~~

- ~~32.1.1. the Contractor shall have offered or given or agreed to give to any person any gift or consideration of any kind as an inducement or reward for doing or forbearing to do or for having done or forborne to do any action in relation to the obtaining or execution of the Contract or any other Contract with the Council or for showing or forbearing to show favour or disfavour to any person in relation to the Contract or any other Contract with the Council; or~~
- ~~32.1.2. the like acts shall have been done by any person employed by them or acting on their behalf (whether with or without the knowledge of the Contractor), or~~
- ~~32.1.3. in relation to any Contract with the Council, the Contractor or any person employed by them or acting on their behalf shall have committed any offence under the Bribery Act 2010 or shall have given any fee or reward, the receipt of which is an offence under Section 117 (2) of the Local Government Act 1972.~~

32.2. All Contracts shall:

- 32.2.1. specify the goods, materials or services to be supplied and/or works to be undertaken, price to be paid, payment terms and conditions, details of any discounts or penalties, the period of the Contract and any other terms and conditions that may be agreed;
- 32.2.2. provide for the payment of liquidated damages where they are appropriate;
- 32.2.3. contain details of any security that is required by the council; and
- 32.2.4. prohibit the Contractor from sub-Contracting or assigning all or any part of the Contract without the express consent of the council.
- ~~32.2.5. Except in exceptional circumstances with the prior written approval of the CPB all Contracts must be signed or sealed before their commencement.~~
- 32.2.5. Every Contract shall require compliance with current legislation with respect to health and safety at work and with all statutory requirements under the Equality Act 2010.
- 32.2.6. Sshall make provision for the Council’s obligations under Freedom of Information and Data Protection legislation.

32.3. Bonds and Parent Company Guarantees

32.4.1 Procurement Officers must consult with Procurement Specialist about whether a Parent Company Guarantee or Bond is necessary when a company is:

- a subsidiary of a parent company; and
- the Total Value exceeds £50,000, or
- award is based on evaluation of the parent company, or
- there is concern about the financial stability of the Candidate.

32.4.2 Where the Contract value exceeds £1,000,000 CPB will consider whether it is appropriate to provide for performance bonds. The amount for each performance bond will be approved by the Chief Finance Officer. The bond will be in a form that is acceptable to the Chief Finance Officer and the Head of Legal Services and Monitoring Officer.

32.5 **Corruption, bankruptcy and cancellation**

- 32.5.1 Every Contract must state that the Council may cancel the Contract and recover any resulting losses if the supplier, his employees or anyone acting on his behalf, with or without his knowledge, does anything improper to influence the Council or commits an offence under Bribery Act 2010.
- 32.5.2 Every Contract must state that if the supplier enters into liquidation or administration, the Council is entitled to cancel the Contract and recover any resulting losses.
- 32.5.3 A non-collusive tendering certificate is to be included with all tender documentation which must be signed by Tenderers and included with their Tender.

32.6 **Consultants**

- 32.6.1 Any Consultant employed by the Council to let or manage Contracts must comply with these CSOs. The Contract with any Consultant must provide that all records maintained by the Consultant in relation to a Contract must be made available to the Council on request and handed over to the Council on completion of the procurement.

32.7 **Insurance**

- 32.7.1 The Procuring Officer must consider the Council's need for appropriate indemnities backed by insurance. In the case of a Contract for works or services, the Contract must require the supplier to carry Public Liability insurance to a minimum of £10m unless otherwise agreed by the Chief Finance Officer.
- 32.7.2 In the case of a Contract for professional services, the Contract must require the supplier to carry Professional Indemnity insurance to a minimum of £5m unless otherwise agreed by the Chief Finance Officer.
- 32.7.3 For all Contracts there must be a requirement for the supplier to carry Employers Liability insurance to a minimum of £10m [unless otherwise agreed by the Chief Finance Officer](#).

Table 3
Insurance Requirements

Type of Insurance	Minimum Value
Public Liability	£10m
Professional Indemnity	£5m
Employers Liability	£10m

33. Contract Management

- 33.1. For all Contracts with a value at Threshold 4 or above a Contract Manager must be appointed. Where reasonably practicable, the Contract Manager should be part of the initial procurement process. The Procuring Officer must notify the name of the Contract Manager to the supplier prior to letting of the Contract.

- ~~33.2.~~ The role of the Contract Manager will be to manage the Contract throughout its duration, as well as enforce duties owed to the Council under Contract and to be responsible on behalf of the Council for those duties owed to the Contractor.

- ~~33.2-33.3.~~ [The Contract Manager must check that services, goods and works have been delivered to the required standard before goods are 'receipted' and invoices approved. Officers checking and approving invoices must ensure invoices are in line with agreed Contracts and should challenge suppliers and contractors where necessary before any payments are made and ensure that any penalties or rebates are claimed.](#)

- ~~33.3-33.4.~~ The responsibilities of the Contract Manager will include:

- [undertake appropriate risk assessments that have considered service continuity, health and safety, fraud and information management risks](#)

- maintain a risk register during the contract period
- ensure appropriate contingency measures are in place for identified risks
- formally review monthly and regularly monitor and report to the Procurement Specialist on: a Contractor's performance against the agreed level of service; the regularity of meetings held with the contractor; compliance with specification and contract costs and identifying as early as possible any potential over-spends and any Best Value requirements
- ~~monitoring performance of the supplier against the agreed level of service~~
- monitoring the continuing level of operational and financial risk to which the Council is exposed and to institute controls as appropriate
- ~~ensuring the supplier's compliance with all appropriate health and safety obligations~~
- facilitating the resolution of issues between the supplier and users of the service
- ensuring prompt payment of invoices and compliance with all financial regulations and CSOs during the lifetime of the Contract
- ensuring that appropriate arrangements are made for the termination or re-letting of the Contract at the appropriate time.

33.4.33.5. Variations.

33.4.1.33.5.1. Where the relevant Contract Manager considers an existing Contract needs to be varied (i.e. practical changes which do not alter the essential nature of the original Contract as opposed to additional works or supplies not originally envisaged) he or she may approve these subject to the proposed variation being contained within the total budget approved for the Contract. The reasons for and details of any such variation must be recorded and stored with the Contract.

33.4.2.33.5.2. Where the approved budget would be exceeded because of the variation, approval for any such variation must be sought from the CPB.

33.5.33.6. Contract Termination

33.5.1.33.6.1. Contracts may be terminated, by the relevant Head of Service, by agreement prior to the expiry date or in accordance with the Termination Provisions set out in the Contract. Advice must be sought from the Head of Legal [Services and Monitoring Officer](#).

33.6.33.7. Contract Extension

33.6.1.33.7.1. Any Contract that expressly provides for extension may be extended in accordance with its terms provided that the CPB are satisfied that Value For Money will be achieved, and the extension is reasonable in all the relevant circumstances.

33.6.2.33.7.2. Where the Contract does not make provision for the extension of the Contract, the CPB shall not extend the Contract, unless legal advice has been sought from the Head of Legal [Services and Monitoring Officer](#) at the earliest opportunity.

33.6.3.33.7.3. For the purposes of CSO 33.67.1 an extension of a Contract includes the option to increase the amount of supplies, services or works as well as the option to lengthen the duration of the Contract.

34. Contracts Register

- 34.1. Under Government Transparency Law the Council must publish and maintain details of all "live" Contracts over £5,000. In order to achieve this requirement, Procurement will add details of all Contracts to the e-procurement systems Contract Register.
- 34.2. The e-procurement systems Contract Register allows for private documents to be stored. Procurement will add an electronic copy of the final signed / sealed Contract and any relevant documents. This will be accessible to Council officers linked to the procurement.
- 34.3. All original sealed deed Contract documents must be held centrally by Legal [Services Team](#) for the term of the Contract (including any agreed extension periods), plus the statutory limitation period (12 years for sealed deeds). They must be referenced back to the Central Register.
- 34.4. Contract Managers are responsible for ensuring that:

- the original signed/sealed copies of the Contract and any subsequent signed variations, have been stored as set out in 34.2 and 34.3;
- summary details of any Contract that has been entered into, that binds the Council to the terms and conditions of the Contract plus a pdf copy of the signed / sealed Contract is provided to Procurement to be entered on the Contracts Register administered by Procurement;
- Procurement will maintain the online Contracts Register (via the electronic procurement system) to ensure the Council complies with the obligations of the Local Government Transparency Code (2015).

34.5 The Contract information that shall be entered into the register is as follows:

- the date of the award of Contract;
- the name and address of the Contractor;
- a description of the purpose of the Contract;
- the duration of the Contract;
- the estimated value of the Contract including any extensions available;
- the start date;
- the end date for the Contract, or the circumstances in which the Contract will end;
- the duration of the potential extension periods to the Contract; and
- any other information relating to the Contract which Procurement considers to be material.

35. Purchasing Cards

- 35.1. The Council operates a purchase card facility; these are available, with the approval of the Head of Service and finance.
- 35.2. Purchase cards are to be used for low value or one-off incidental spend where it is not efficient to add the suppliers to the finance management system
- 35.3. Purchase cards must not be used to bypass corporate Contracts without the express permission of Procurement.
- 35.4. The principle of disaggregation applies to spend on purchase cards both in relation to the individual and the Council as a whole.

DEFINITIONS

Authorised Signatory List	The list of officers authorised to make financial transactions. Head of Service approval is required before an officer may be included in the list.
Award Criteria	The criteria on which the award of a Contract is based following an evaluation of Contract tenders in a procurement procedure. Award criteria must be focused on the tender and not the tenderer (which will already have been assessed at the pre-qualification stage against the relevant Selection Criteria).
Closed Group	Refers to the use of a selected shortlist of suppliers eg a Constructionline shortlist. PCR 2015 Regulation 110 states 'a contracting authority does not advertise an opportunity where it makes the opportunity available only to a number of particular economic operators who have been selected for that purpose (whether ad hoc or by virtue of their membership of some closed category such as a framework agreement), regardless of how it draws the opportunity to the attention of those economic operators'
Call-off Contracts	This term is used to describe a Contract that is entered into for a specified period but where the total value and quantity of items ordered cannot be quantified at the outset. An example might be a Contract for the supply of office stationery. Prices are specified for the duration of the Contract, subject as necessary to fluctuation according to agreed formulae.
Chief Officer(s)	The Officers defined as such in the Constitution.
Concession Contracts	As defined by the Concession Contracts Regulations 2016; Contracts for pecuniary interest concluded in writing between a Contracting authority/utility) and an economic operator/(s) Where the consideration (or "payment") is either: <ul style="list-style-type: none"> • Simply that the Contractor has the right to exploit (that is, to profit from) the works/services that are the subject of the Contract. • Where the Contractor has that right together with some payment from the Contracting authority/utility.
Constructionline	A national register of pre-qualified local and national construction and construction related Contractors and Consultants. The Council uses this register as its selection method for construction related Contracts.
Consultant(s)	Someone employed for a specific length of time to work to a defined project brief with clear outcomes to be delivered, who brings specialist skills or knowledge to the role, and where the Council has no ready access to employees with skills, experience or capacity to undertake the work
Contract	In this context, means <ul style="list-style-type: none"> (i) an agreement between parties for the supply of goods or services or the execution of works. (ii) any Framework Agreement; (iii) any agreement where no payment is made by the Council, but which is of financial value to the Contractor (e.g. a concession); but does not include (without exception): <ul style="list-style-type: none"> • an employment Contract; or • a Grant Agreement.
Contract Value	All references to Contract values refer to the estimated value unless otherwise specified. The estimated value is calculated over the entire period of the Contract, including the period of any possible extensions to the term of the Contract. Where the term of the Contract is not known, a term of 4 years must be assumed and applied when calculating the Contract value. The calculation of the value must be assessed exclusive of Value Added Tax.
Contracts Finder	A central website maintained by Government on which public

	sector tender opportunities above advertised by the Council are required to be advertised.
Contracts Manager	Those Officers authorised to carry out the day to day activities required to manage a Contract.
Contracts Register	The electronic register hosted on In-tend that must be populated, with key information about Contracts, for all Contracts awarded as required by these procedures
Corporate Management Team	The Corporate Management Team is the meeting of the Executive Director and Directors, which is advised by Heads of Service and other Officers as appropriate.
Corporate Procurement Board / CPB	This is a board made up of members of the Corporate Management Team and acts as the governance board for the Council's procurement activity. Their role is: <ul style="list-style-type: none"> • To challenge all spend and procurement activity • To ensure compliance with CSOs • To support the development of a consistent and coherent approach to procurement • Develop and sponsor a procurement strategy and procurement work plan • To take collective responsibility for driving forward best practice for procurement. • Ultimately to approve all procurement expenditure over £5k
Council	For the purposes of these CSOs, "Council" refers to Tandridge District Council
Deed	A signed and sealed Contract document.
Disaggregation	Deliberately splitting down purchases or Contracts to avoid having to undertake a full competitive exercise.
Dynamic Purchasing System (DPS)	A fully electronic compliant 'Approved List', which in effect operates as an open framework where economic operators can join at any point while the DPS is open, and they meet the Suitability Criteria
Electronic Tendering	A secure means to store and transmit all Procurement Documentation via a secure electronic vault.
Estimated Total Contract Value	The estimated value of a procurement as defined in CSO 14
EU Directives	As of January 2021 no longer applicable. Replaced by to 'PCR 2015 (as amended)'
EU Threshold / OJEU Threshold(s)	As of January 2021 no longer applicable. Thresholds are contained in to 'PCR 2015 (as amended)' The Estimated Total Contract Value at which 'PCR 2015 (as amended)' apply for the category of spend, i.e. Goods, Services and Works.
Evaluation Criteria	Detailed assessment and comparisons of each Bid against the Evaluation Criteria verifying how Bidders will meet the requirements of the Contract; measured against quality and/or price criteria
Financial Regulations	This refers to the set of rules that govern the way the council's finances are administered and controlled. They are maintained by the Section 151 Officer.
Find a Tender Service (FTS)	A new UK e-notification service "Find a Tender" (FTS) replaces OJEU as the means of publication of official procurement notices under the UK Procurement Regulations from 1 January 2021.
Framework Agreement	An agreement with Supplier Contract, to establish terms governing individual Contracts that may be awarded during a given period,
Framework Supplier(s)	An economic operator who has successfully secured a place on a public framework Contract.
Goods/Works/Services	A Contract will be in connection with the acquisition of one or more of these categories of procurements. The use of one of these terms should be taken to mean all the terms unless expressly stated to the contrary.

In-Tend	The Councils e-tendering system which must be used for all procurement exercises exceeding £5,000.
Invitation to Tender / ITT	A key document within the Procurement Toolkit which must contain or reference, the instructions for Bidders, specification, evaluation model and other relevant materials to allow the procurement activity to be concluded successfully.
JCT	The Joint Contracts Tribunal suite of construction related Contracts. The Council's preferred form of Contract for construction Contracts.
Most Economically Advantageous Tender (MEAT)	is a method of assessment used as the selection procedure for publicly-procured contracts, allowing the contracting party to award the contract based on aspects of the tender submission other than just price. Regulation 67 of the Public Contract Regulations 2015 states that: (1) Contracting authorities shall base the award of public contracts on the 'most economically advantageous tender' assessed from the point of view of the contracting authority. (2) That tender shall be identified on the basis of the price or cost, using a cost-effectiveness approach, and may include the best price-quality ratio, which shall be assessed on the basis of criteria, such as qualitative, environmental and/or social aspects, linked to the subject-matter of the public contract in question.
OJEU	The Official Journal of the European Union. As of January 2021 no longer applicable, replaced by 'FTS' or 'Find a Tender, the UK's e-notification service'
Open Procedure	A one-stage procurement where there is an open advert and any potential supplier can access and submit a tender to be evaluated
PAS 91 PQQ	Prequalification questionnaire to be used for all procurements for Works that are between the Service and Supplies Threshold and the Works Threshold where the Restricted Process is used. A template is available in the Procurement Toolkit.
Public Contract Regulations	Refer to Public Contract Regulations or PCR 2015 and from January 2021 is amended to 'PCR 2015 (as amended)' and, the first time PCR 2015 is defined, expand the definition so it reads 'Public Contracts Regulations 2015 as amended by the Public Procurement (Amendment etc.) (EU Exit) Regulations 2019 and Public Procurement (Amendment etc. (EU Exit) (No.2) Regulations 2019 ('Withdrawal Regulations)'
Procurement Toolkit	A guide to procurement providing help and advice in the procurement processes along with supplying template documents, useful forms and sample documents to assist Officers in running their own procurement projects.
Procuring Officer	Any Officer procuring a Contract on behalf of the Council.
Quotation	A quotation of price given by a supplier for a specified piece of work, goods or service (without the formal issue of an Invitation to Tender).
Relevant Director	This term is used to denote the Executive Director, Director of Finance and Resources (Section 151 Officer) or the Director of Operations in person. Where an officer from one service is working in circumstances where they are responsible to another service for the purposes of a procurement exercise, then it is that other director who is the responsible director. In some CSOs the Executive Director and the Section 151 Officer are mentioned by title; where this is done, they are not acting as the relevant director.
Relevant Head of Service	This term is used to denote the head of the service responsible for procuring a Contract.
Request for Quote / RFQ	A key document within the Procurement Toolkit which must contain or reference, the instructions for Bidders, specification, evaluation model and other relevant materials. Only to be used for procurements with a value below Threshold 4.

Restricted Procedure	A two-stage procurement, where the advert invites potential suppliers to submit a Pre-Qualification Questionnaire and only those that meet the selection criteria are then shortlisted and permitted to submit a tender for evaluation. The Regulations only permit this procedure for above FTS Threshold procurements.
Section 151 Officer	This refers to the council's Chief Finance Officer, being the officer responsible for the council's financial administration as defined by the Local Government Act 1972.
Scheme of Delegation	This term refers to the council's Scheme of Delegation, which specifies the extent to which the conduct of the council's affairs is delegated to council officers. If at any time there appears to be a conflict between the Scheme of Delegation and Contract Procurement Rules, the former shall take precedence.
Selection Criteria	The criteria by which Tenderers are chosen to be invited to submit Quotations or Tenders, where a Restricted Procedure is adopted.
Shortlisting	The process of selecting Tenderers who are to be invited to submit Quotations or Tenders or to proceed to final evaluation.
Social Value	Social value is the term used to describe the additional value created in the delivery of a Contract which has a wider community or public benefit. This extends beyond the social value delivered as part of the primary Contract activity. Under the terms of the Social Value Act 2012 contracting authorities are obliged to consider wider social and environmental objectives alongside price and cost when evaluating tenders for services which are valued over the FTS Procurement Thresholds
Specification	The use of the word 'specification' refers to a statement of the council's minimum purchase requirements. For illustrative purposes, it includes as appropriate such matters as: a) Technical drawings b) Recognised international standards c) Method of delivery d) Terms and conditions of supply and delivery e) Responsible purchasing requirements.
Standard Form of Contract	Forms of agreement to be used without variation for certain agreed areas of work with values []
Standard Selection Questionnaire	This is the questionnaire which has been developed to simplify the supplier selection process for businesses using the Restricted Procedure to procure goods or services. It has replaced the Pre-Qualification Questionnaire.
Standstill Period	Contracts over the FTS Threshold must include a 10 calendar day standstill period between the notice of intention to Award and the actual award of Contract. This allows unsuccessful Bidders to be notified of the outcome of the Evaluation provides unsuccessful Bidders with an opportunity to appeal if they believe there is a justified reason to appeal against the Award.
Supplier/Contractor	Both these terms are used to refer to a provider or potential provider of goods, works or services. Once a Contract has been placed with a supplier, that supplier may be more precisely referred to as a Contractor.
Tender	A Tenderer's proposal on price and quality submitted in response to an Invitation to Tender.
Tenderer	Any person who asks or is invited to submit a Quotation or Tender.
TUPE Transfer of Undertakings (Protection of Employment) Regulations	TUPE refers to the Transfer of Undertaking (Protection of Employment) Regulations, 1981. These regulations were introduced to ensure the protection of employees when, for example, a business is taken over by another organisation. Broadly, TUPE regulations ensure that the rights of employees are transferred along with the business.
UK Regulations	Refers to The Public Contracts Regulations 2015.

	From January 2021 is amended to 'PCR 2015 (as amended)' and, the first time PCR 2015 is defined, expand the definition so it reads 'Public Contracts Regulations 2015 as amended by the Public Procurement (Amendment etc.) (EU Exit) Regulations 2019 and Public Procurement (Amendment etc. (EU Exit) (No.2) Regulations 2019 ('Withdrawal Regulations')
Value For Money	Value for Money (VfM) is not the lowest possible price; it combines goods or services that fully meet the needs, with the level of quality required, delivery at the time it is needed and at an appropriate price. (Refer to Most Economically Advantageous Tender).

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Appendix B

Waivers from CSOs 2021

CSO Ref	Name	Reason	Amount	Request Date	Approved Date	Approved by	Duration	Valid Until
21-02	Signed CSO Waiver - Astun Technology - Gis - 9.12.20.pdf	Single Supplier	£ 15,660.00	22/10/20	09/12/20	Jackie King	1 year	09/12/21
21-03	Signed CSO Waiver - IDOX.pdf	Extension	£ 9,704.73	07/12/20	13/01/21	Jackie King	1 year	13/01/22
21-04	Signed CSO Waiver - Telephone System Support & Maintenance (Britannic).pdf	Extension	£ 8,762.05	06/01/21	13/01/21	Jackie King	One year	13/01/22
21-05	CSO Waiver - Env Health Civica Flare App.pdf	Extension	£ 10,935.24	28/01/21	04/02/21	Jackie King	1 Year	31/03/22
21-06	CSO Waiver - Revs and Bens Annual Billing.pdf	Extension	£ 24,000.00	01/02/21	17/02/21	Jackie King	1 year	31/03/22
21-07	Signed CSO Waiver - Junction 6 Transport Capacity Modelling DHA.PDF	Other	£ 20,000.00	12/02/21	22/02/21	Jackie King	One-off	24/05/21
21-08	CSO Waiver - Financial Leadership Consultancy.pdf	Urgency	£ 6,000.00	15/02/21	15/02/21	Jackie King	One-off	
21-09	Signed CSO Waiver - Thomson Reuters.pdf	Other	£ 42,028.47	17/02/21	22/02/21	Jackie King	3 years	31/03/24
21-10	Signed CSO Waiver - Paper and cardboard collections at recycling banks additions.pdf	Extension	£ 14,400.00	18/03/21	24/03/21	Jackie King	One-off	31/03/22
21-11	Signed CSO Waiver - Internet Payment Facility Software 2021.pdf	Extension	£ 12,862.00	23/03/21	26/03/21	Jackie King	1 year	31/03/22
21-12	Signed CSO Waiver - Form Assembly 2021.pdf	Extension	£ 6,150.00	25/03/21	31/03/21	Jackie King	1 year	20/03/22
21-13	CSO Waiver - Budget Gap Analyst.pdf	Urgency	£ 30,000.00	14/06/21	14/06/21	Jackie King	6 weeks	31/08/21
21-14	CSO Waiver - Link Group.pdf	Single Supplier	£ 8,500.00	17/06/21	21/06/21	Jackie King	6 months	31/10/21
21-15	CSO Waiver - Health and Safety Services 2021 - signed.pdf	Urgency	£ 12,000.00	02/08/21	05/08/21	David Ford	1 year	31/03/22
21-16	CSO Waiver - Orchard Housing System 2021.pdf	Extension	£ 21,587.27	06/09/21	08/09/21	David Ford	1 Year	08/10/22
21-17	CSO Waiver - GL Hearn - HRA Consultancy.pdf	Other	£ 16,125.00	07/10/21	15/10/21	David Forde	1 year	15/10/22
21-18	CSO Waiver - Laura Rowley.do.pdf	Single Supplier	£ 14,850.00	02/11/21	02/11/21	David Ford	3 months	31/12/21
21-19	CSO Waiver - DocuSign - LEGAL.pdf	Single Supplier	£ 10,047.36	02/11/21	02/11/21	David Ford	3 years	29/09/24
21-20	CSO Waiver - Mazars.pdf	Single Supplier	£ 10,250.00	08/11/21	09/11/21	David Ford	6 months	31/03/22

Total	£ 293,862.12
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Reason for Waiver	Volume	Value
Extension	8	£108,402
Single Supplier	5	£59,307
Urgency	3	£48,000
Other	3	£78,154
	19	£293,863

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**Procurement Improvement
Project
Update
March 2022**

1. Introduction

The primary aim of the project is to achieve savings in FY 21-22 and into the medium-term. The project also aims to identify process improvements aimed at achieving savings in future years.

An analysis of spend has identified both non-compliant spend and contract overspend.

2. Objectives

The primary objectives of the project are to;

- 2.1. Deliver the budgeted savings for FY 21-22
- 2.2. Identify and deliver additional savings in FY 21-22 - by means of a systematic review of all contracts expiring by 31/3/22
- 2.3. Identify savings against longer term contracts that will carry through to FY 22/23 and 23/24 and beyond.
- 2.4. Identify and implement process improvements that facilitate compliance and transparent procurement processes that are completed on time and achieve maximum cost efficiency.
- 2.5. Process improvements and controls will reduce contract overspend and off-contract spend and drive savings beyond FY 21/22.
- 2.6. The systematic review of contracts to be repeated annually.

3. Scope

3.1. The project involves a review of all supplier contracts expiring before 31/3/2022 and involve the following workstreams:

- Data analysis
- Contract Review
- Contract re-procurement
- Process Improvement analysis
- Process Improvement implementation

3.2. The project focused on term contracts expiring before then of FY 21-22 as these will need to be re-procured or terminated and present the best opportunity to achieve savings in the short to medium term.

4. Progress

4.1. Deliver Budgeted Savings FY 20/21

Item	Saving	Contract Status
Telephone Budget	£30,000	Procure
Printers	15,900	Existing
Green Verges	£5,000	Existing
Inflation Containment	£6,945	Existing
Garden Waste Club	£694,664	As of 1/4/21
New Waste Contract	£311,535	As of 1/4/21
Offset Inflation	£67,900	Existing

The Telephone Budget savings are dependent on the procurement of new mobile and telephony contracts.

Mobile Telephony

New contract with EE as of 20/1/22 for 2 years.

Saving £27,196 over 2 years.

4.2. Contract Review -To identify additional Savings FY 20/21 and beyond.

A review of all contract expiring before the end of 31/3/22 was undertaken by the Contract Owner using the following evaluation criteria:

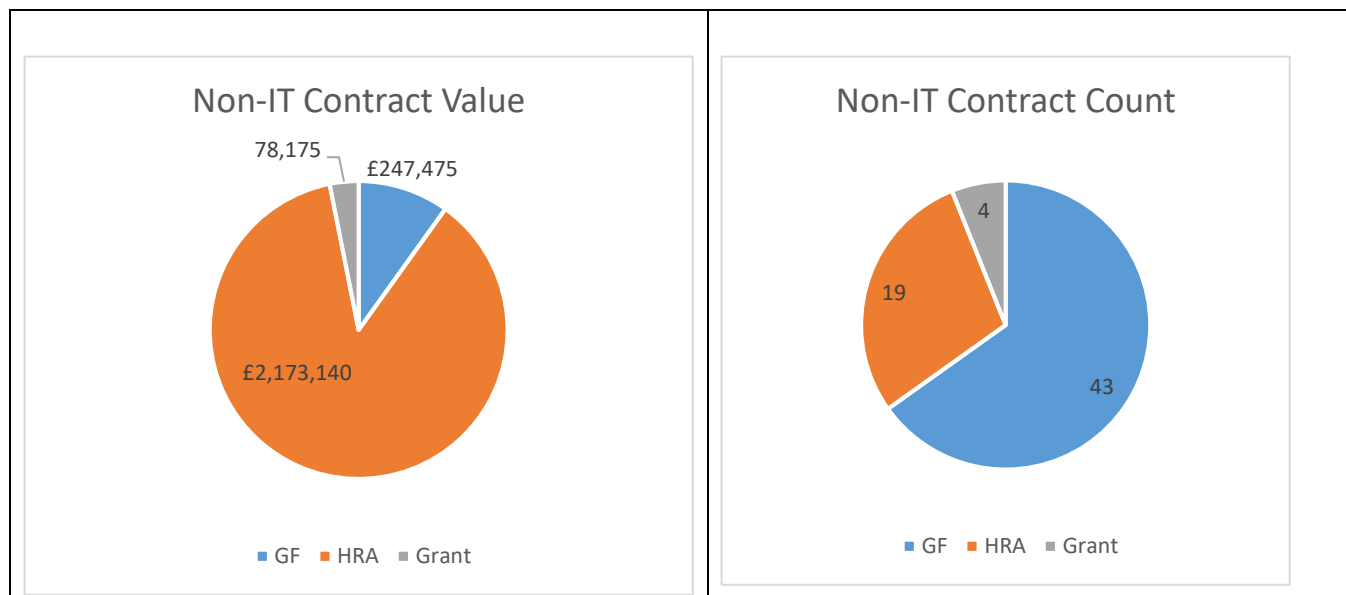
- Does the contract relate to a Statutory or Discretionary service?
- If Discretionary can the contract be terminated?
- If Statutory can the service be provided in-house?
- Are there alternatives? -either alternative suppliers or alternative solutions?
- Can the contract term be changed to provide better pricing?
- Is it possible to collaborate with another Authority?

All Contract Owners completed this exercise.

The review summary has been split between IT Contracts and Non-IT Contracts.

5.2.1 Non-IT Contracts

There were 66 Non-IT contracts



Funding	No.	Value
GF	43	£247,475
HRA	19	£2,173,140
Grant	4	78,175
	66	£2,498,790

The table below summarise the number and value of contracts by Contract Owner and identified additional savings:

Non-IT Contracts

Owner	Count	Reviewed	Total pa	Funding						Identified Additional Savings								
				GF		Grant		HRA		21/22		22/23		23/24				
				GF	HRA	GF	HRA	GF	HRA	GF	HRA	GF	HRA	GF	HRA			
Alison Boote	4	4	£211,645			1	£3,000	3	£208,645									
Angela Hughes	1	1	£39,125	1	£39,125													
David Gray	4	4	£28,495			1	£15,000	3	£13,495									
Giuseppina Valenza	3	3	£3,940	3	£3,940													
Jackie King	4	4	£63,435	4	£63,435													
Jane Ellis	2	2	£44,365	1	£190	1	£44,175											
John Mc Geown	1	1	£1,420	1	£1,420													
Julie Chester	3	3	£0	3	£0													
Lidia Harrison	3	3	£17,033	3	£17,033													
Martin Gubby	4	4	£5,060	4	£5,060													
Nic Martlew	20	20	£644,333	17	£49,416			3	£594,917									
Nikki Tagg	1	1	£20,000	1	£20,000													
Rob Preedy	8	8	£1,335,983					8	£1,335,983									
Sally Bayliss	2	2	£20,100					2	£20,100									
Sarah Thompson	2	2	£6,371	2	£6,371													
Simon Jones	3	3	£41,486	3	£41,486													
Will Mace	1	1	£16,000			1	£16,000											
Grand Total	66		£2,498,790	43	£247,475	4	£78,175	19	£2,173,140	-£11,561	-£2,603	-£12,049	-£5,205	-£11,782	-£5,205			

Summary of identified savings:

Funding	No.	Value	21/22	22/23	23/24
GF	43	£247,475	-£11,561	-£12,049	-11,782
HRA	19	£2,173,140	-£2,603	-£5,205	-5,205
Grant	4	78,175	£0	0	0
	66	£2,498,790	-£14,164	-£17,254	-£16,987

Potential Future Savings

Contract Owners were asked to flag contracts where further savings may be possible.

27 Contracts were flagged as having opportunities where further savings could be achieved e.g. by changing specification, term, licences etc.

Owner	Further Savings possible		
	No	Yes	Total
Alison Boote	2	2	4
Angela Hughes		1	1
David Gray	4		4
Giuseppina Valenza	1	2	3
Jackie King	4		4
Jane Ellis	2		2
John Mc Geown	1		1
Julie Chester	3		3
Lidia Harrison	2	1	3

Martin Gubby	3	1	4
Nic Martlew	14	6	20
Nikki Tagg	1		1
Rob Preedy		8	8
Sally Bayliss		2	2
Sarah Thompson		2	2
Simon Jones	1	2	3
Will Mace	1		1
Total	39	27	66

Each Contract Owners schedule of contracts has been updated accordingly and an Action Plan has been developed, refer to **Appendix 1 Action Plan Tracker**

5.2.1 Savings Achieved to Date (March 2022)

Analysis of contract renewals to 31 March 22 has identified the following savings:

Non-IT Contracts

	21/22	22/33	23/24
Total	-£14,545	-£17,972	-£17,706
GF	-£12,276	-£13,434	-£13,167
HRA	-£2,269	-£4,538	-£4,538
Grant	0	0	0

IT Contracts

	21/22	22/33	23/24
GF	-£86,933	-£67,098	-£59,553

4.3. Process Improvements

Process Improvement Summary

Action	Owner	Deadline	Status
Add link to PO process to the Procurement Process Flow charts at each threshold	John McGeown	31/3/21	Completed
Update Contracts Register User Guide in procurement pages on Sharepoint	John McGeown	31/3/21	Completed
Update all active contracts with correct Contract Owner	Jacob Hughes	31/3/21	Completed
Update all active contracts with default notification dates	Jacob Hughes	31/12/21	Completed
Automate the PAR process	John McGeown / Mel Thompson	TBA	On hold

4.4. Spend with No Contract

A review of the Top100 spend analysis has identified the following spend that does not have a current active contract in place. Actions have been assigned, as below:

Supplier	Title / Category	Spend	Owner	Action	Target Date	Status
CA Barclay	Works to Council owned void properties	£450,000	Rob Preedy	Procurement of new contract for Void works - project kicked of 10-2-21.	Due to lack of resource pushed back to September 2022	Ongoing
Abbots Groundworks	Works to Council owned void properties	£144,000	Rob Preedy	Included in new Responsive Repairs Framework contract as of 1-4-21.	Due to lack of resource pushed back to September 2022	Ongoing
TLC (Coulson/Crawley)	Electrical wholesale supplier - periodic market testing. Numerous POs all below £5k	£68,501	Nic Martlew	Undertake formal market test exercise.		Ongoing
Channel Commercials Plc	Vehicle repair	£58,469	Nic Martlew	Will reduce as in-house engineer employed. Monitor spend.		Ongoing
Cox Skips	Skips	£50,000	Rob Preedy	Part of a wider waste disposal review		Ongoing
Royal Mail	Post	£42,000	Jayne Roberts	Procure contract		Ongoing
Tersus Consultancy Ltd	Asbestos	£40,160	Rob Preedy	The terms of any new contact dependant on the implementation of the		Ongoing

				ProMaster system		
Srs Property Management	Disabled Adaptations	£34,000	Rob Preedy	Work awarded following 3 quotes. Ensure quotes are obtained using In-tend.	1/4/21	
The Surrey Glazing Company		£32,951	Nic Martlew	Dependant on new working arrangement		
Archway Highway Services Ltd	Car Parks	£28,870	Nic Martlew	Work awarded following 3 quotes Ensure quotes are obtained using In-tend.	1/4/21	
Cosgrove & Sons Locksmiths	Evictions, Voids (New Framework)	£27,264	Rob Preedy	Included in new Responsive Repairs Framework	1/4/21	Completed
Mark Foster Flooring Contractor		£26,975	Nic Martlew	Dependant on new working arrangement		
Christopher J Edwards Ltd t/a Oxted Drain Services		£24,750	Nic Martlew	Dependant on new working arrangement		
Cavity Tech Systems Ltd	Specialist	£23,845	Rob Preedy	Work awarded following 3 quotes. Ensure quotes are obtained using In-tend.	1/4/21	
RA Advertising Ltd		£22,907	Giuseppina	Issue RFQ to at least 3 agencies.	1/6/21	Ongoing
John Vicars		£22,572	Nic Martlew	Dependant on new working arrangement		Ongoing
Courtney Lang Contracts Ltd	Asbestos Removal - 3 quotes	£21,292	Rob Preedy	Work awarded following 3 quotes. Ensure quotes are obtained using In-tend		

Balcombe Pest Control Ltd	Pest Contro;	£19,462	Nic Martlew	NM has meeting on 1 May to review.	ITT issued March 22	Ongoing
Cleansing Service Group Ltd	Specialist Cleaner	£17,994	Nic Martlew	Specialist Cleaner - Market Tested. Undertake formal market test exercise.		Ongoing
Elliot Baxter and 3WM	Stationary	£14,550	TBA	Single supplier for Office Supplies		Ongoing
n/a	Recruitment Agents		Nicky Hill	HR Audit requirement		
		£595,957				

4.5. No PO No Pay policy

Insert progress table here -following discussion with Verity

Action	Owner	Deadline	Status
Send instruction to all Suppliers on No PO No Pay policy	AP	31/11/20	Completed
Develop and get approval for No PO Pay policy. To include exceptions.	Verity Royle	1/7/21	
Implement Policy	Verity Royle	1/7/21	
Update TDC website 'Doing Business with the Council'.	John McGeown	1/7/21	

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Proposed Consultation on the Council Election Cycle

Strategy & Resources Committee Thursday, 7 April 2022

Report of: Chief Executive

Purpose: For decision

Publication status: Unrestricted

Wards affected: ALL

Executive summary:

The Local Government Boundary Commission for England (LGBCE) will shortly be commencing a review into the Council's District Ward boundaries. Provisions within the Local Government and Public Involvement in Health Act 2007 and the Localism Act 2011 gives the Council power to decide on its election scheme. Currently, the Council elections are by thirds but it may resolve to move to whole Council elections. The boundary review provides an opportune time for consideration of this matter. This report explains the process that needs to be undertaken in considering whether to move to whole Council elections. It is recommended that a public consultation is undertaken.

This report supports the Council's priority of:

Building a better Council

Contact officer Alex Berry – Lead Democratic Specialist
aberry@tandridge.gov.uk

Recommendation to Committee:

That the Committee determine whether to commence a consultation process in accordance with the Local Government & Public Involvement in Health Act 2007 on whether the Council should change to whole Council elections every 4 years from 2024, or to retain the current scheme of elections by thirds.

Reason for recommendation:

The decision to change electoral cycles should not be taken in anticipation of the potential outcome of the Local Government Boundary Commission (LGBCE) review but rather it is a matter of policy for the Council to consider based on the respective merits of each electoral system. Consideration of the issue is timely given the forthcoming review as it will inform the warding patterns. It will also enable any decision to commence whole Council elections to coincide with the implementation of the LGBCE review outcomes in 2024. The first stage in the process is to commence a public consultation.

If the Committee are minded not to commence a public consultation on whole Council elections, the current elections scheme of electing by thirds would be retained.

Introduction and background

1. An electoral review is an examination of a council's electoral arrangements. The Council's electoral arrangements refer to the total number of Members to be elected to the Council; the number and boundaries of wards; the number of Members for each ward; and the name of any electoral area.
2. The Council meets the criteria for an electoral review as the last review was held in 1998 and the normal timeframe is on average every 15 years. Accordingly, the LGBCE has advised the Council that it will be carrying out an electoral review with a view to the changes being implemented in 2024.
3. It is important to highlight that in authorities like this Council that have elections by thirds, following changes to legislation, the LGBCE is required to start its electoral reviews with a presumption in favour of delivering a uniform pattern of 3 member wards. Any departure from such a pattern would need to be justified on a ward-by-ward basis, having regard to statutory criteria which are set out below.

Statutory Criteria

4. Schedule 2 of the Local Democracy, Economic Development & Construction Act 2009 sets out the statutory criteria which the LGBCE is required to have regard to in making its recommendations. The criteria recognise the need to:
 1. secure equality of representation;
 2. reflect the identities and interests of local communities; and
 3. secure effective and convenient local government.
5. Should the Council retain an electoral cycle of electing by thirds with the presumption of uniform three member wards being applied, then one potential concern may be that in order to retain electoral equality between wards this could result in very large geographical rural wards where the Members may not be evenly distributed and accessible to their constituents.

6. It could be argued that the resultant large rural wards would not meet the second and third statutory criterion. However, such arguments may not be sufficiently strong to rebut the presumption of uniform Member wards. Whilst the Commission has on occasion moved away from the presumption of uniform Member wards, it has stressed that generally there should be pattern of uniform three Member wards with only a small handful of single or two Member wards. It has also explained that any arguments would need to be made and substantiated on a ward-by-ward basis.
7. An alternative option would be to move to a cycle of whole Council elections where the presumption of uniform three Member warding does not apply.
8. Whole Council elections are where all the seats are up for election at the same time. This happens once every four years. These elections can be combined with other elections, for example a UK Parliamentary General Election, and are with parish council elections.

Comparative Authorities

9. The table below lists the frequency with which Surrey District and Borough Councils have their elections. Six elect by thirds and five have whole council elections.

Local Authority	Scheme of Elections	Cabinet / Committee System	Electorate (as of 1 Dec 2020)	Number of Members	Electors per Member
Elmbridge	By thirds	Cabinet	100,451	48	2,093
Epsom and Ewell	Whole council (2023)	Committee System	59,262	38	1,560
Guildford	Whole council (2023)	Cabinet	102,599	48	2,137
Mole Valley	By thirds	Cabinet	68,183	41	1,663
Reigate & Banstead	By thirds	Cabinet	108,371	45	2,408
Runnymede	By thirds	Committee System	62,347	41	1,521
Spelthorne	Whole council (2023)	Committee System	76,719	39	1,967
Surrey Heath	Whole council (2023)	Cabinet	67,948	35	1,941
Waverley	Whole council (2023)	Cabinet	94,890	57	1,665
Woking	By thirds	Cabinet	75,713	30	2,524
Tandridge	By thirds	Committee System	65,660	42	1,563

10. Across England, according to the latest LGBCE data, 216 authorities elect by whole council elections, 110 elect by thirds and 7 elect by halves.

Comparison of whole council elections and elections by thirds

11. A variety of arguments can be made as to the advantages and disadvantages of each type of electoral cycle.

Whole Council Elections

12. The advantages of whole council elections include certainty when a council has a four year mandate. This provides stability allowing the Council to adopt a strategic approach to policy and decision making in line with a medium-term financial strategy and focusing less on yearly election campaigning. This also avoids uncertainty for several months of the year in relation to the delivery of Council objectives and consideration of complex issues during the pre-election period.

13. The Electoral Commission issued a report on the cycle of local government elections in England in 2004. This is attached at Appendix A. The recommendation of this report was that:

"Having taken into account the evidence and arguments presented during our consultation process, we have concluded that a pattern of whole council elections for all local authorities in England would provide a clear, equitable and easy to understand electoral process that would best serve the interests of local government electors."

14. In addition, the Secretary of State urged all councils to consider moving to whole council elections in 2021. This was because it *"could lead to councils providing stronger, more accountable local leadership better able to serve their communities, promote local economic growth, and drive forward the levelling up of opportunity and prosperity across the country. If councils which still elect by thirds or halves now take the opportunity to switch to whole council elections, this could significantly strengthen local government and its ability to serve local people."*¹

15. Under whole Council elections, during the boundary review undertaken by the LGBCE, the presumption for uniform three Member warding does not apply. Therefore, it would be possible for one and two Member wards to exist in future ward boundary arrangements under whole Council elections. The geographical extent of future wards represented currently by one or two members would still be under consideration by the LGBCE as part of its review.

Elections by thirds

16. Advantages of electing by thirds include the assurance of a regular return of new Members which allows for succession planning. The Council will always be made up of new and experienced Councillors. It also reduces the likelihood of wholesale change within the Council.

¹ Statement of the House from Robert Jenrick, Secretary of State for the Ministry of Housing, Communities and Local Government, 10 June 2021: <https://questions-statements.parliament.uk/written-statements/detail/2021-06-10/hcws84>.

17. More regular elections allow judgement of a Council more frequently than every four years. This can enable the electorate to react sooner to local circumstances, thereby providing more immediate political accountability.
18. Maintaining the current system also encourages people into the habit of voting and voting for one person is well understood by voters. Voting for two or three councillors under whole Council elections could cause confusion.
19. It should be noted that if the Council continue electing by thirds, the LGBCE is obliged, as part of its boundary review, to propose that all wards are represented by three Members. Only in very exceptional circumstances can the LGBCE propose ward boundaries which allow for fewer than three members. Therefore, if the Committee are minded to retain elections by thirds, it is probable that those wards that are currently represented by one or two Members, would change significantly following the boundary review.

Costs and Savings

20. The financial cost of running whole Council elections is less than electing by thirds. This is because elections take place less frequently, and so costs are not incurred each year. In addition, where Council elections can be combined with other elections, for example Police and Crime Commissioner elections, additional savings can be made as the costs for certain elements (such as polling station venues and staff) are shared.
21. An example of the likely cost savings that could be achieved over a four-year period is set out at Appendix B. These figures are estimated savings only as much depends on the frequency of other elections and the unpredictable nature of a UK Parliamentary General Election.

Programme of Forthcoming Elections

22. It is possible to identify when some elections will take place, based on the current election cycles:
 - UK Parliamentary General – every five years (but can be held at any time)
 - Police & Crime Commissioner – every four years
 - Surrey County Council – every four years
 - Tandridge District Council – every three out of four years
 - Parish Councils – every four years
23. In addition, legislation makes provision for certain local referenda to be held. The Government may also decide to hold a national referendum at any point.

24. In terms of calendar years, the cycles would be as follows:

Year	Current cycle of electing by thirds	Future Cycle if stay with elections by thirds	If Change to whole Council elections & align Parish elections
2023	District Council Elections Parish Council Elections (16)	District Council Elections Parish Council Elections (16)	District Council Elections Parish Council Elections (16)
2024	District Council Elections Parish Council Elections (5) Police and Crime Commissioner Elections	District Council Elections (all out on new boundaries) Parish Council Elections (5) Police and Crime Commissioner Elections	District Council Elections (all out on new boundaries) Parish Council Elections (all) Police and Crime Commissioner Elections
2025	County Council Elections	County Council Elections	County Council Elections
2026	District Council Elections	District Council Elections	
2027	District Council Elections Parish Council Elections (16)	District Council Elections Parish Council Elections (16)	
2028	District Council Elections Parish Council Elections (5) Police and Crime Commissioner Elections	District Council Elections Parish Council Elections (5) Police and Crime Commissioner Elections	District Council Elections Parish Council Elections (all) Police and Crime Commissioner Elections
2029	County Council Elections	County Council Elections	County Council Elections

25. In terms of Parish Council Elections, the table above presumes that the Council, if it resolved to move to whole Council elections, uses provisions within legislation to amend the date of Parish Council elections so that they take place every four years. Further information is in paragraphs 29 and 30 below.

26. In terms of UK Parliamentary General Elections, it should be noted that the next must take place on or before May 2024.

Process For Changing Electoral Cycle

27. The Local Government & Public Involvement in Health Act 2007 (Sections 31 to 54) sets out the process for district councils to change their electoral arrangements. In order to change electoral cycle, the Council must:

- have taken reasonable steps to consult such persons as it thinks appropriate on the proposed change;
- convened Full Council to consider the proposed change;
- have at least two-thirds of those voting to have voted in favour of the proposed change;
- ensure that the year for the first ordinary whole council election is specified in the recommendation. (This cannot be the same year as whole Council election for the County Council);
- publish an explanatory document on the decision and make this available for public inspection; and
- notify the Electoral Commission.

Consultation

28. As explained, the Council must have taken reasonable steps to consult with such persons as it thinks appropriate on the proposed changes prior to passing a recommendation. The legislation does not specify the nature of that consultation but in order to ensure that the decision is reasonable, the Council would need to provide sufficient publicity and variety of engagement methods with Council Members, parish councils, members of the public, stakeholders and political parties for comments and representations to be made.
29. If the Committee were minded to proceed with investigating the potential for whole Council elections, the next step would be to approve the consultation process as detailed in Appendix C. Briefly, the Council would make available a consultation process by way of the local press; a website consultative process and through its Councillors. It is suggested that a six week consultation period would be adequate. The results of the consultation would be presented back to the Committee at its meeting on 30 June allowing Members to consider whether to recommend to Full Council that the Council adopt whole Council elections. This would be at a Full Council meeting in July 2022.

Impact on Parishes

30. A move to whole Council elections would affect Parish Councils within the District. The Local Government & Public Involvement in Health Act 2007 enables the Council to make an order to alter the years of the ordinary elections of Parishes so that they coincide with the date of whole Council elections.
31. If the Council decides to move to whole Council elections, then to avoid Parish Councils incurring the cost of standalone elections, it is recommended that the Council make an order that aligns that Parish Council elections coincide with the District elections. Having Parish elections at the same time as District elections may also produce higher levels of turnout for Parish elections.

Key implications

Comments of the Chief Finance Officer

As part of the IMPOWER work last October, Reduction to Election Cycle was not included on the current savings. The Boundary Commission review has brought this higher up the agenda. It was estimated that moving to a 1 in 4 cycle could provide a saving of potentially £25k per annum, but subject to the outcome of the consultation.

Savings within this paper are based on the 2018 figures. 2018 was the last time there was only District elections and can provide a good sightline of the direct costs. Any requirements to hold by elections either directly or on behalf of the other organisation is unpredictable and not included within the savings.

With regard to the other elections Tandridge hosts, only direct expenditure can be reclaimed. All expenditure for the other elections are held separately and reclaimed appropriately.

Any changes to the constituency of the political administration would await for the outcomes of the Boundary Commission review.

Comments of the Head of Legal Services

There are prescriptive procedures for dealing with electoral reviews and reviews of electoral cycles, arising primarily from the Local Democracy, Economic Development and Construction Act 2009 and Local Government and Public Involvement in Health Act 2007. Whilst the final decision in respect of an electoral review rests with the Local Government Boundary Commission and is brought in to effect by statutory instrument, the final decision in respect of the electoral cycle would need to be made by a special meeting of Full Council (on a majority of at least two thirds of those present).

The first step would be to undertake a public engagement consultation on the issue of moving from the current electoral cycle of elections to 'whole Council' elections once every four years.

Equality

The Council has a duty to advance equality of opportunity between people who share a relevant protected characteristic and persons who do not share their characteristic. Research referenced in the Electoral Commission report (Appendix A) suggests that younger age groups and those with an ethnicity other than white were less likely to know when local elections were taking place. Moving to all out elections may provide an opportunity for the Council to positively impact on the opportunities of these groups to participate and vote in elections.

The consultation will be publicised in such a way as to ensure a wide range of residents are given the opportunity to have their say.

Climate change

There are no significant environmental / sustainability implications associated with this report.

Appendices

Appendix A – Electoral Commission, The Cycle of Local Government Elections in England

Appendix B – Estimated Savings

Appendix C – Consultation Process

Background papers

None.

January 2004

The
Electoral
Commission

A photograph of a woman with blonde hair, wearing a red shirt, looking down at a white ballot paper she is holding. The background is a blurred indoor setting with a light fixture. The word 'BALLOT' is visible in large, light-colored letters on a dark surface in the foreground.

The cycle of local government elections in England

Report and recommendations

Page 25

The Electoral Commission

We are an independent body that was set up by the UK Parliament. We aim to gain public confidence and encourage people to take part in the democratic process within the UK by modernising the electoral process, promoting public awareness of electoral matters, and regulating political parties.

On 1 April 2002, The Boundary Committee for England (formerly the Local Government Commission for England) became a statutory committee of The Electoral Commission. Its duties include reviewing local electoral boundaries.

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Executive summary

Following a request made under the Political Parties, Elections and Referendums Act 2000 (PPERA) in January 2003, this report to the Deputy Prime Minister contains the findings of The Electoral Commission's review of the cycle of local government elections in England, and its recommendations for change to simplify the current cycle.

On 28 January 2003, The Electoral Commission received a formal request from the Deputy Prime Minister to 'review and submit a report to him on the cycle of local government elections in England, identifying options for change that would simplify the current cycle'. The Commission was also required to assess the desirability and practicality of any options for change, and make recommendations for the implementation of those options.

We published an evidence and consultation paper in July 2003, summarising the findings of research on public attitudes and awareness, electoral turnout and local authority performance, and seeking views on a range of questions. We received a total of 269 submissions to our consultation paper and attended a number of meetings to discuss issues in more detail.

Simplification and change

The current pattern of local electoral cycles in England is unclear and inconsistent, both between and within local authority types. There are wide variations in the opportunities available to electors to participate in local elections, depending on the area in which they live. This disjointed and inconsistent pattern of local electoral cycles has come about as a result of historical accident, and the piecemeal approach to structural change in local government during the past 30 years.

The apparent disparities and contradictions of the current pattern of electoral cycles are not, in themselves, of particular concern to us. However, our research has found significant evidence of confusion and misunderstanding which suggests that many electors simply do not know when or why local elections are held in their area. We are concerned that the complex current pattern of different local electoral cycles across England does not help electors to understand the opportunities open to them for participation in the democratic process.

We are also concerned that opportunities for access to the local democratic process should be equitable. It is fundamentally unfair and, in our view, unacceptable that within an individual local authority some electors may

have fewer opportunities to vote and influence the political composition of the authority than their neighbours in a different ward. It is clear that the current pattern of local government elections in England does not provide equal access to the democratic process for all electors, particularly in areas with partial council elections.

We consider that the pattern of local electoral cycles in England is unnecessarily complex and confusing, and that there is a strong case for simplification of the current arrangements. We note the important debate on the merits of diversity of practice in local government. However, we can see no good reason why one of the fundamental elements of local democracy should vary from area to area.

The Commission recommends that the cycle of local and sub-national government elections in England should follow a clear and consistent pattern, within and across local authorities. Individual authorities should not be permitted to 'opt out' of this pattern, and any newly created authorities should also follow the same pattern.

Recommendations for the local electoral cycle in England

Responses to our consultation underlined many of the arguments surrounding the debate for and against either whole council or partial elections. However, we received little new information or evidence to support respondents' positions. While we have sympathy with many of these arguments, the balance of evidence that we have considered suggests that whole council elections are more likely to provide clarity for electors and a degree of stability for local authorities.

We also consider that a key principle for the electoral cycle of local authorities should be to ensure that all electors are given the same opportunities for participation in the local democratic process. A more equitable pattern of electoral arrangements under elections by thirds would require a uniform pattern of three-member wards across authorities, or a uniform pattern of two-member wards with biennial elections

Whole council elections would require no change to local authorities' current electoral arrangements.

However, The Boundary Committee for England has noted that the requirement to recommend a uniform pattern of three-member wards in metropolitan borough areas has caused specific difficulties when attempting to reflect community identities in some authorities. The Committee notes that the flexibility to recommend single-, two- or three-member wards enables it to more easily reflect local communities while continuing to provide good levels of electoral equality. Under a pattern of whole council elections, authorities would not be restricted to any particular ward size, since the entire electorate would be eligible to vote together once every four years.

Having taken into account the evidence and arguments presented during our consultation process, we have concluded that a pattern of whole council elections for all local authorities in England would provide a clear, equitable and easy to understand electoral process that would best serve the interests of local government electors.

The Commission recommends that each local authority in England should hold whole council elections, with all councillors elected simultaneously, once every four years.

Implementation

Our proposals for the implementation of our recommendations attempt to balance the need for a pragmatic approach to change with our desire to see timely reform of the local electoral cycle in England.

We considered several options for the implementation of our recommendations for change, and rejected an option under which all local government elections would take place in the same year. We considered that this proposal would diminish the important distinction between different local government elections taking place in the same area, and between the roles and responsibilities of local and sub-national government where it exists.

Our preferred approach to the implementation of our recommendation would balance simplicity and a

national focus on local government issues, with a clear distinction between different tiers of local or sub-national government. Under our recommendation all local government electors in England would have the opportunity to vote for their district, metropolitan borough, London borough or unitary council in the first year of the electoral cycle. Those electors in areas with other local or sub-national authorities would vote again two years later.

The Commission recommends that all local government electors in England should elect members of their district, metropolitan borough, London borough or unitary council simultaneously once every four years. Two years later, in the mid-point of the electoral cycle, electors in areas with county councils, city-wide authorities or any future sub-national government should elect representatives to those bodies.

If the recommendations of this review are accepted by Government and Parliament, we will work with central and local government partners to identify the most appropriate approach to timely implementation.

1 Introduction

Following a request made under section 6(2) of the Political Parties, Elections and Referendums Act 2000 (PPERA) in January 2003, this report to the Deputy Prime Minister contains the findings of The Electoral Commission's review of the cycle of local government elections in England, and its recommendations for change to simplify the current cycle.

Background

1.1 In its white paper *Strong local leadership – quality public services*,¹ published in December 2001, the Government noted that:

The current cycle of local government elections is confusing. Some councils have elections once every four years while others have elections in three years out of four. It is too easy for electors to lose track of when elections are to be held or how many votes they have on any particular election day. And this arrangement can lessen the immediate impact of voters' behaviour on council control.

1.2 The Government went on to indicate in the white paper that it proposed to invite The Electoral Commission to review and recommend options to simplify the current cycle of local elections.

Request

1.3 Under the Political Parties, Elections and Referendums Act 2000 (PPERA), which established The Electoral Commission, the Secretary of State may request the Commission to review and report on any matter specified by him.² On 28 January 2003, the Commission received a formal request from the Deputy Prime Minister, pursuant to section 6(2) of PERPA, to:

review and submit a report to him on the cycle of local government elections in England, identifying options for change that would simplify the current cycle.

Under the terms of the request, the Commission has also been required to assess the desirability and practicality of any options for change, and make recommendations for the implementation of these options.

1.4 The request specified that the Commission's report must be submitted to the Deputy Prime Minister no later than 12 months after the date of the request. It also outlined the scope and terms of reference to be considered by the Commission in its review. The full text of the request is included in Appendix 1 to this paper.

¹ Cm 5237.

² Section 6(2) Political Parties, Elections and Referendums Act 2000.

Scope and terms of reference

1.5 In undertaking this review, The Electoral Commission has carefully considered the scope and terms of reference that were outlined in the request submitted by the Deputy Prime Minister. Under the terms of the request, the Commission's report on the cycle of local government elections in England must include consideration of the normal elections for:

- principal authorities – districts (including unitary authorities and metropolitan boroughs), London boroughs and counties;
- the Greater London Authority (GLA);
- elected mayors; and
- parish councils.

1.6 While the terms of the request specify elections to the GLA, we have also considered it appropriate to take into account elections to potential future levels of sub-national government as well as any existing bodies.

1.7 In considering any options for change to the current cycle of local government elections, the Commission's recommendations might involve changes to:

- councillors' terms of office; or
- local authorities' electoral arrangements in England, including:
 - the number of councillors for the local authority area;
 - the boundaries of wards or divisions for the area; or
 - the number of wards or divisions for the area.

1.8 The Government's request also specified a range of matters to which the Commission must have regard in carrying out this review. These included, but were not limited to, consideration of the extent to which any options for change would:

- improve the democratic legitimacy and local accountability of councils;
- enable greater understanding of when elections are to be held and their purpose;

- be likely to improve participation in the electoral process;
- help facilitate the effective management of local authorities; and
- be facilitated by new ways of voting, including increased postal voting, electronic counting or multi-channel e-voting.

1.9 The Commission was also required to consider the relationship between different local government elections in related areas, and between local government elections and other elections in England (i.e., elections to the Westminster and European parliaments).

The Electoral Commission

1.10 This review has been carried out under the guidance of a project board including Sam Younger, Chairman of The Electoral Commission, Pamela Gordon, Commissioner and Chair of The Boundary Committee for England, and two Deputy Electoral Commissioners, Joan Jones CBE and Professor Michael Clarke CBE. However, the views presented in this report are those of The Electoral Commission alone, and do not necessarily reflect the opinions of project board members or others who have contributed to the review process.

2 Review process

From the outset of this review we have recognised that it was likely to provoke both interest and controversy, among the local government community in particular. We also acknowledged that there might be no straightforward 'right' answer to the issues involved. We have been especially keen to ensure that our recommendations are based on objective evidence, and that we have consulted widely.

Evidence

2.1 We noted at the outset of this review the importance of gathering objective evidence to complement the valuable views of stakeholders and consultation respondents. In particular, we were eager to gauge the views of the electorate, including both voters and non-voters. We asked MORI to undertake public survey research that would not simply explore electors' views and attitudes on the frequency of local elections in England, but would also explore in some depth their understanding and awareness of opportunities to vote in their local area.

2.2 The initial survey results provided a broad impression of perceptions of local government electoral arrangements. However, at the analysis stage, the answers given by respondents about their perceptions of local government elections were compared with details of the electoral cycle and arrangements in their area, to give a measure of levels of actual understanding and awareness. We summarised the key findings of this public perceptions study in our consultation paper, and the full text of the report from MORI has been made available to download on our website. The results of the study are discussed in more detail in chapter 3 of this report.

2.3 We also asked the Local Government Chronicle Elections Centre, University of Plymouth, to undertake a statistical analysis of the relationship between local government electoral cycles and turnout. Drawing on data from their historical database of local election results from the past 30 years, the Elections Centre was able to provide an assessment of the specific impact of the cycle or frequency of elections on turnout at local government elections. Again, the full text of the Elections Centre's report was made available to download on our website.

2.4 Finally, we undertook our own consideration of the Audit Commission's Comprehensive Performance Assessment (CPA) outcomes, to ascertain whether there were any discernible links between performance and different forms of electoral cycles. Our conclusions were included in the consultation paper published in July 2003.

Consultation

2.5 At the beginning of July 2003, we issued a consultation paper that brought together evidence on a range of issues, as detailed above, and sought views and comments on a number of questions. The paper was sent to the Chief Executives and Leaders of all local authorities in England, and to all local authority electoral services managers. It was also sent to a range of relevant local government stakeholders, including local authority members and officers, political parties and representative organisations including the Local Government Association (LGA), the Society of Local Authority Chief Executives and Senior Managers (SOLACE), the Association of Electoral Administrators (AEA) and the National Association of Local Councils (NALC). The paper was also available to download on our website. We sought comments on the questions and issues raised in the consultation paper by the beginning of October 2003.

2.6 In our consultation paper we also issued an open invitation to individuals or groups to contact us and arrange to meet the project team to discuss issues relating to the review. During the consultation period, we held or attended 17 such meetings, detailed in Appendix 2.

Responses to consultation

2.7 During the consultation period we received a total of 269 responses by post or email, from a wide range of organisations and individuals, primarily within the local government community. A total of 143 local authorities and 16 local parish or town councils responded, and we also received individual responses from 20 local councillors and eight local authority officers. Nine registered political parties submitted responses, and we also received comments from seven MPs, three members of the House of Lords and 34 local political groups. We received further comments from 11 individual respondents, two academics and a total of 16 other organisations or groups. A full list of respondents is included in Appendix 2 of this report. Copies of all non-confidential responses can be viewed at our office.

2.8 Responses ranged in depth from detailed consideration of each of the questions and issues raised in the consultation paper, to a broad outline of respondents' positions. We greatly appreciate the input of those who took part in our consultation exercise, and we value the experience and expertise that respondents have been able to bring to this review. We have also found it particularly useful to meet interested groups in person during the consultation period, to gauge the strength of feeling on the issues involved and discuss them in more detail.

Next steps

2.9 This report sets out The Electoral Commission's recommendations to the Deputy Prime Minister for changes to the local government electoral cycle in England, as required by his request. The Commission recognises that its role in relation to electoral law is advisory, and it is not for the Commission to make the final determination as to how local government electoral cycles might be changed. It is for the Government to initiate, and ultimately for Parliament to decide on any proposals for legislative change.

2.10 Nevertheless, we feel strongly that reform to simplify the local electoral cycle in England is overdue, and we would urge the Government to take forward the recommendations contained in this report at the earliest opportunity. Chapter 5 of this report outlines some suggested options for the implementation of our recommendations, and we will continue to work with the Government to ensure that timely progress towards reform is made.



3 Simplification and change

In looking at the cycle of local government elections in England we have been asked to identify options for change that would simplify the current cycle. Our priority has been to identify a pattern of local elections that best serves the democratic and community interests of electors.

Current arrangements

3.1 In our consultation paper, we examined in detail the current cycle of local government elections in England. We found the current pattern to be unclear and inconsistent, both within and between local authority types, and noted that there are wide variations in the range of opportunities available to electors to participate in local elections, depending on the area in which they live.

3.2 As shown in Table 1 below, a total of 137 authorities currently elect by thirds, with one-third of members retiring each year and their seats up for fresh election. Seven authorities elect by halves, while 243 hold whole council elections once every four years. All metropolitan boroughs currently have a uniform pattern of three-member wards, while district, unitary and London councils may have between one and three members per ward. County councils may have either one or two members per division, but the large majority of divisions are represented by only one councillor.

Table 1: summary of local government electoral cycle in England, by authority type

Authority type	Thirds	Halves	Whole	Total
County council	-	-	34	34
District/borough council	82	7	149	238
Unitary council	19	-	27	46
London borough	-	-	33	33
Metropolitan borough	36	-	-	36
Parish and town councils	-	-	8,700	8,700

3.3 At present there is no clear pattern of electoral cycle for local authorities in England, and the frequency with which authorities elect their members varies considerably from one area to another. In practice, this also means that the frequency with which electors are given the opportunity to vote varies from area to area, depending on the number and type of local authorities in each area. Electors in London may vote twice in each four-year electoral cycle (in borough and Greater London Authority elections), while those living in metropolitan borough areas can vote three times during the same period.

All electors in two-tier areas can vote in county council elections once every four years, but elections to shire districts may take place in each of the three years in-between county elections.

3.4 Moreover, this disparity is also repeated within many local authority areas, where electors may be offered fewer or greater opportunities to vote for the same authority depending on the size of the individual ward in which they live. In unitary authorities that hold whole council elections every four years, all electors will be given the opportunity to vote once in each four-year electoral cycle. However, in those unitary authorities where members are elected by thirds, electors in single-member wards may vote only once in a four-year cycle, those in two-member wards may vote twice, and those in three-member wards may vote three times, with one year fallow.

3.5 In two-tier shire areas, all electors can vote in county council elections once every four years. Electors in districts that hold whole council elections can also vote in the third year of the electoral cycle. However, in districts where members are elected by thirds, electors in single-member wards may vote twice in each four-year cycle (once for their district or borough ward and once for their county division), while their neighbours in two-member wards may vote three times, and those in three-member wards may vote in all four years of the cycle. In the small number of districts that elect by halves, all electors will be able to vote in three out of four years.

3.6 One of the overall effects of these disparities in electoral cycle is that there is no consistent pattern to the scale of local elections from year to year. The number of authorities holding elections, wards or seats to be elected and electors eligible to vote changes each year, and in recent elections, the proportion of the total local government electorate eligible to vote has varied significantly. In 1999 and 2003, when elections were held in all metropolitan boroughs and shire districts, around 80% of the total local government electorate were eligible to vote. In local elections in 1996 and 2000, however, less than half of the total electorate were eligible to vote.

While there were no borough elections in London in 2000, more than five million electors were able to vote in elections to the GLA.

3.7 This disjointed and inconsistent pattern of local electoral cycles has come about as a result of historical accident and the piecemeal approach to structural change in local government during the past 30 years. Where such change has taken place, from the large-scale reorganisation in the early 1970s to more recent structural reviews in the mid 1990s, it appears that little consideration has been given to the overall national impact of decisions on individual local authority electoral cycles. Government has continued to emphasise the importance of local choice of electoral cycle for non-metropolitan districts, and in particular rejected the recommendation of the 1986 Widdicombe Committee report on the conduct of local government for a uniform system of local government elections.³ This emphasis on local choice has led to a patchwork pattern of electoral cycles across England, and each new phase of reorganisation has not only left these discrepancies unaddressed, but in many cases has added to the overall picture of inconsistency.

Issues

3.8 The apparent disparities and contradictions of the current pattern of electoral cycles are not, in themselves, of particular concern to us. This review was not intended to be an exercise in electoral tidiness. Rather, we have considered the problems and difficulties for electors that may be a direct consequence of this complexity and inconsistency. The evidence we have gathered suggests that the majority of electors simply do not know when, why or for which authority local elections are held in their area, and we are concerned that the complex current pattern of local electoral cycles may not encourage understanding of democratic opportunities across England.

³ *Report of the Committee of Inquiry into the Conduct of Local Authority Business (1986) Cmnd 9797.*

3.9 The study of public awareness that MORI carried out for us revealed a mixed picture of levels of understanding of the local electoral cycle among electors. Overall, a total of 77% of respondents knew whether or not there were local elections taking place in their area in May 2003. However, while some 84% of respondents in areas where elections were due to take place knew that they would have the opportunity to vote, one-sixth of the electorate were potentially disenfranchised – whether they wanted to vote or not – simply by being ill-informed or unaware of the elections taking place. In a similar study from 2002, MORI found that nearly a quarter of those in areas with elections were unaware that elections were taking place.⁴ Younger respondents were significantly more likely to say they didn't know whether local elections would be held in their area (34% of respondents aged 15 to 24 compared with only 10% of those aged 25 plus). Respondents from black and minority ethnic communities were three times less likely than white respondents to be able to give an answer (12% compared with 39%).

3.10 Many respondents who thought there were local elections in their area actually had little understanding of which authority the elections were actually for. Nearly one in five respondents overall (19%) did not know which authority they would be voting for in May 2003. Although county council elections were not held in May, 15% of respondents in shire district areas thought elections would be held for the county council. Some 12% of respondents in metropolitan borough areas and 21% in unitary authority areas, where there is no second tier of local government, were under the impression that elections were for county councils, although this may also demonstrate some lack of understanding of local government terminology. More positively, two-thirds of respondents in shire district areas (66%) correctly identified that the forthcoming elections were for their district or borough council.

3.11 There was also widespread confusion and a lack of understanding about exactly how often electors have the

opportunity to vote in different areas of England. Nearly one-third of all respondents (30%) conceded that they did not know how often elections were held in their area, and only 16% overall were able to correctly identify the actual cycle of local elections. When other responses were compared with the actual frequency of elections at a ward level, it appears that the varied pattern of electoral cycle across England may have a particular effect on levels of awareness and understanding. Respondents in wards where elections were held either annually or only once every four years were most likely to answer correctly (34% and 30% respectively). However, only 5% of respondents in areas with elections in three years out of four answered correctly, and they were actually more likely to think that elections are held every year (37%). Respondents in areas with elections in two out of four years were also more likely to think that elections were held only once every four years.

3.12 Attitudes towards change to the electoral cycle were mixed – perhaps unsurprisingly, given the generally poor level of awareness of the local government electoral cycle. Seventy-one per cent of respondents felt that the frequency of local elections in their area was 'about right', although one in five (19%) were unable to express a view. MORI found slightly more support among respondents for proposals to hold all local elections at the same time (53%) than for allowing the frequency of elections to vary locally (45%).

Change and local diversity

3.13 Respondents to our consultation paper were divided in their views as to the merits or desirability of a more uniform pattern of local electoral cycle. While many accepted the potential benefits to voter awareness and understanding of simplifications to the current cycle, others resented perceived interference from the centre in what they view as a matter for local choice.

3.14 Many responses dealt in limited terms with the benefits or disadvantages of individual local electoral cycles, and did not take into account the wider picture of a nationwide pattern of elections. These respondents disagreed that confusion and low public awareness of

⁴ MORI Social Research Institute survey for Green Issues Communications (2002), *Many Councillors 'Divorced' from the Electorate*.

local elections is a particular problem in their own area, if not nationally. While they maintained that local electors did understand when elections were held, the evidence of consistently low electoral turnouts across local government and the results of our opinion research work suggest that this view may be somewhat optimistic. Other respondents saw benefit in a more consistent pattern of local electoral cycles, but felt that the cycle in their own areas should be retained, and that other authorities should follow their example.

3.15 A majority of respondents, however, accepted that a more uniform pattern of local electoral cycles would be beneficial, even if it would involve change to their own local arrangements. Many agreed that a clearer and more predictable local election cycle would help electors to understand when elections take place. Others noted the importance of consistency, both within and across local authorities, in ensuring that all electors have the same rights and opportunities to vote. Respondents also placed great value on the potential of a consistent local election pattern across England to help develop a 'national voting habit', which would promote local democratic renewal and civic responsibility by highlighting opportunities for democratic input. Certainly, it was noted that a nationally applicable pattern of local elections, whether every year, every other year or every four years, would enable a greater collective national focus on local government issues.

3.16 We recognise that there is some opposition among local government stakeholders to the imposition of change, and in particular the imposition of uniformity, from above. Some respondents to our consultation paper argued that local choice of electoral cycle is both important and useful, and that what works well in some areas may work less well in others. These respondents reject the notion that a single electoral cycle would be suitable for all local authorities, and argue that flexibility of choice at a local level is necessary to respond to diverse local needs and circumstances. They also suggest that local elected representatives are best placed to decide which pattern is most suitable for their area.

3.17 One respondent noted that 'uniformity involves change in at least some local authorities, and the costs of change have to be balanced against any assumed benefits', and argued that change 'should only be undertaken for strong reasons and not because uniformity is seen as inherently desirable.' As we have discussed earlier, we do not see a consistent pattern of local electoral cycles as necessarily desirable in its own right. Rather, we recognise the significant benefits to wider public understanding and awareness of democratic rights that a more consistent pattern would bring.

The need for clarity

3.18 It is of fundamental importance to the future health and relevance of local government, especially in the context of continued low turnout at local elections, that the electoral system is clear and easily understood by the public. Well-informed electors who understand how and when to vote are better placed to hold their local representatives to account, while confusion about when and why elections take place can only serve to further distance electors from local democracy. We would echo the conclusion of the Widdicombe Committee report that 'a system which is as complex and inconsistent as the present one is hardly calculated to encourage electoral participation'.

3.19 The current pattern of local government electoral cycles in England, with considerable diversity between and within local authorities, appears to be well supported by many of those within local government. Locally determined arrangements suit those with established interests who may have worked with particular arrangements for a considerable length of time, and understand how best to work within local political processes. It is clear, however, that these arrangements work less well for voters, who do not understand how and when they are entitled to take part in the democratic process. As we have noted above, there is widespread confusion and misunderstanding among electors about when and why local elections are held in their own immediate area.

The need for consistency

3.20 In its report, the Widdicombe Committee suggested that citizens had a reasonable expectation that when they moved from one area to another electoral arrangements should be the same, unless there was a clear case to the contrary. We would add that a more consistent pattern of local electoral cycles in England would also help to encourage the development of a broader, deeper collective understanding of local elections as an event across the country. It would enable a clearer national focus on the wider roles and responsibilities of local government, while also highlighting the particular issues at stake at a local level. While greater consistency would enable nationwide voter awareness campaigns to the benefit of all electors, it would also provide an opportunity for targeted campaigns to address more effectively particular groups who may be less likely to participate.

3.21 A further strong theme among responses to our consultation has been a recognition of the importance of ensuring fairness and equity in electoral arrangements. In addition to greater national consistency of electoral cycle, opportunities for access to the democratic process locally should be consistent and equitable – that is, all electors within each individual authority should have the same opportunities to influence the outcome of local elections and the policies of the authority. It is clear that the current pattern of local government elections in England does not provide equal access to the democratic process for electors at the local level.

3.22 As we have noted earlier in this chapter, many authorities that elect by thirds, outside the metropolitan borough areas, do not have a uniform pattern of three-member wards. In these areas electors may be offered fewer or greater opportunities to vote for the same authority depending on the size of the individual ward in which they live. Some electors may have three opportunities to vote in elections to their local authority within a four-year period, while others can vote only once in the same period. It is fundamentally unfair and, in our view, unacceptable that within an individual local authority some electors should have fewer opportunities

to vote and influence the political composition of the authority than their neighbours in a different ward.

3.23 A more consistent and clearly understandable pattern of local electoral cycles across England should also seek to ensure greater equity in access to the democratic process at a local level. Equality of opportunity to vote within local authorities under current warding arrangements could be achieved if all electors were to vote at the same time, once every four years. Correspondingly, a consistent pattern of elections by thirds or halves would require a move to a uniform pattern of three- or two-member wards respectively, involving significant changes to local electoral arrangements across England.

Recommendation

3.24 We have outlined above our concern that the current mixed pattern of local electoral cycles in England provides an unclear and inconsistent picture to voters which, at the very least, does not help to encourage participation in the democratic process at a local level. We have also noted that some electors within individual authorities may have fewer opportunities to vote and influence the political composition of the authority than their neighbours in a different ward. We have highlighted the benefits that greater clarity and consistency could bring in both these areas. In our view, this review presents an opportunity to think strategically about a future pattern of local electoral cycles which will better serve the interests and needs of electors across England.

3.25 If we were starting afresh in planning a pattern of electoral cycles for local government in England, we would not wish to replicate existing arrangements. We must, of course, accept that we are not starting from scratch in this instance, and we have considered the most appropriate way forward in light of existing circumstances. Nevertheless, we consider that the current pattern of local electoral cycles in England is unnecessarily complex and confusing, and that there is a strong case for simplification of the current arrangements.

3.26 We note the important debate on the merits of diversity of practice in local government. While we accept that local choice and diversity of practice may be valuable in many areas of local government, we do not believe that the case for local choice has been made in relation to local authorities' electoral cycles. Local authorities may choose to deliver their services or scrutinise decisions in a variety of ways, and electors will pass judgment on their achievements through the democratic process. However, we can see no good reason why one of the fundamental elements of local democracy should vary from area to area. It would not be acceptable, for example, to have a locally determined and varying franchise or terms of office for councillors. Moreover, we note that local government elections in Scotland, Wales, Northern Ireland and in the majority of comparable Western democracies follow nationally consistent patterns in electing their members, and diversity in local practice has not extended to choice of electoral cycle.⁵

3.27 On balance, and most importantly when viewed against the substantial evidence of confusion and misunderstanding among electors, we consider that the democratic needs of electors across England would be better met by a clearer and more consistent pattern of local electoral cycles.

The Commission recommends that the cycle of local and sub-national government elections in England should follow a clear and consistent pattern, within and across local authorities. Individual authorities should not be permitted to 'opt out' of this pattern, and any newly created authorities should also follow the same pattern.

3.28 Our recommendation for the pattern of local electoral cycles in England follows in chapter 4.

⁵ New Zealand, Australia, Canada, the Republic of Ireland, France, Spain, Denmark and the Netherlands, for example, all have consistent patterns of local electoral cycles. For more information, see *The constitutional status of local government in other countries* prepared for the Commission on Local Government and the Scottish Parliament in 1998.

4 Recommendations for the cycle of local authorities in England

We have recommended that the cycle of local government elections in England should follow a clearer and more consistent pattern, within and across local authorities. However, we recognise that there is considerable disagreement about the relative benefits of the various local electoral cycles currently adopted by local authorities.

4.1 In our consultation paper we outlined in some detail the range of arguments surrounding the debate for and against either whole council or partial elections. Responses to our consultation echoed and underlined many of these arguments, but we received little new information or evidence to support respondents' positions. Many responses drew heavily on evidence of local experiences, and often reflected individual preferences for retaining existing local electoral cycles.

4.2 Following our recommendation for a consistent pattern of local electoral cycles in England, we have also considered options for the most appropriate cycle. We have carefully considered the arguments and evidence submitted to us during the consultation period. The range of matters to which we have been required to have regard in making this recommendation are outlined in the introduction of this report and reproduced in full in Appendix 1.

Priorities

4.3 In previous work The Electoral Commission has outlined its priorities in relation to the reform of electoral procedures and law. It aims to place the voter at the centre of its concerns, but also recognises the need to encourage the participation of a wide range of candidates and political parties and to ensure that electoral arrangements can be effectively and efficiently administered.

4.4 These priorities have remained highly relevant in our consideration of the local electoral cycle in England – above all, we have sought to ensure that the democratic needs of electors are addressed appropriately. However, we recognise that other individuals, groups and organisations are essential to the continued health of local democracy, and it is clear that other issues must also be considered. One respondent usefully summarised the need for a balanced view:

It is important to ensure that the frequency of elections does not adversely affect the ability of any local authority to effectively manage and deliver their responsibilities, whilst at the same time maintaining the ability of the electorate to have adequate opportunity to influence the political control of the authority.

4.5 We have sought primarily to identify a pattern of local electoral cycles that is likely to be well understood by the public and encourage their participation in elections. However, our recommendations should also give elected members confidence that they have a legitimate democratic mandate to act on behalf of their communities, and assure these communities that they can effectively hold their representatives to account. Any proposals for change must also recognise the need to support local authorities in the effective and efficient management and delivery of services to local communities.

4.6 As we noted in our consultation paper, we recognise that a single 'correct' solution, which satisfies all of the concerns raised by stakeholders, is unlikely to exist. We have given a balanced consideration to the merits of each pattern of electoral cycles, and have assessed the evidence available to us against the range of criteria specified by the Secretary of State.

Democratic legitimacy and local accountability

4.7 Local authorities in England derive democratic legitimacy from the regular election of their members by the communities that they serve. Once elected, local representatives are held to account for the decisions they have made on behalf of their communities through re-election.

4.8 Supporters of partial elections argue that electing half or a third of an authority's members in rotation can help to ensure that the composition of the council better reflects the political complexion of the electorate, and that more frequent elections can provide sharper accountability by keeping representatives 'on their toes'. Whole council elections, on the other hand, ensure that all eligible electors in the authority area have the opportunity to influence the political composition and control of the authority at the same time.

4.9 Supporters of whole council elections also note that, particularly in the case of elections by thirds, when fewer than half the seats are up for election, overall political control of the authority may not change, even if the ruling party loses all the seats contested at a particular election. Similarly, in areas with partial elections but no uniform pattern of members per ward, electors may be confused or disaffected if control of the council changes as the result of an election in which they were not able to participate.

4.10 Opponents of whole council elections express concern that important but controversial decisions may be postponed for political reasons until after an election, giving electors no opportunity for democratic protest for three years. On the other hand, elections of the whole council can give the ruling group the opportunity of a clear four-year period within which it can fulfil its manifesto promises before being judged on its policies and performance, including the setting of council tax.

4.11 Responses to our consultation paper underlined these arguments. Those who have experience of working with authorities that hold whole council elections value the clear mandate and legitimacy they provide. In contrast, other respondents from areas that elect by thirds placed particular emphasis on the importance of continued close contact and responsiveness to electors. However, respondents were largely unable to supplement their arguments with clear objective evidence of the practical benefits to electors of either system.

4.12 The arguments for and against whole council or partial elections have been well rehearsed by local government stakeholders, and we accept that many of them have some apparent merit. However, as we have discussed previously, there is a clear need for more consistent and equitable opportunities for local democratic accountability within authorities. In particular, the cycle of local elections should allow all electors within each individual authority to vote at the same time. A more equitable pattern of electoral arrangements under elections by thirds would require a uniform pattern of three-member wards across England, or a uniform pattern of two-member wards with biennial elections. Whole council

elections would require no change to local authorities' current electoral arrangements.

4.13 The Boundary Committee for England has noted that the requirement to recommend a number of councillors per ward divisible by three in metropolitan borough areas (in practice meaning three-member wards), has caused specific difficulties when attempting to reflect community identities in authorities such as Liverpool and Wakefield. As one respondent to our consultation also observed, 'enforced three-member wards necessarily involve uncomfortable marriages between unconnected areas and equally unsatisfactory division of communities'.

4.14 The Boundary Committee notes that the flexibility to recommend single-, two- or three-member wards enables it to more easily reflect local communities while continuing to provide good levels of electoral equality.⁶ Under a pattern of whole council elections, authorities would not be restricted to any particular ward size, since the entire electorate would be eligible to vote together once every four years.

Awareness and understanding of elections

4.15 As we have noted in the previous chapter, it is fundamentally important to ensure that electors understand when and why local elections are held. Electors with little understanding of the local electoral process will be less likely to participate in the democratic process, and less able to participate effectively. A clear and straight-forward pattern of local elections that electors understand will also contribute to increased transparency of the democratic process and local accountability.

4.16 We have discussed in detail in chapter 3 the findings of public awareness research conducted by MORI in the weeks leading up to the May 2003 local elections in England. The evidence available to us indicates that electors are generally ill-informed and unaware of the current pattern of local elections, and we

have recommended that the local electoral cycle should follow a clearer and more consistent pattern across England. It is also clear that there is a need for greater consistency within local authorities. Although nearly one in three respondents overall said they didn't know how frequently local elections were held in their area, respondents in wards where elections were held either annually or only once every four years were most likely to answer correctly (34% and 30% respectively). Only 5% of respondents in areas with elections in three years out of four and 19% of those in areas with elections in two out of four years were able to correctly identify how often they were able to vote.

4.17 The evidence available to us from the research carried out by MORI suggests that it is particularly important to ensure consistency not only nationally across England, but also internally within individual authorities. A deeper understanding of the local democratic process would be greatly aided by a more equitable pattern of local elections, as discussed above. Electors would be certain either that they will be able to vote every year or once every four years, and that their neighbours will do likewise.

Participation and turnout

4.18 Good levels of turnout, as well as participation more generally in the democratic process, are essential to the continued relevance and legitimacy of local government. Continued low turnout may undermine the authority of local government to speak and act on behalf of the communities it represents.

4.19 Annual or biennial elections hold the potential for more frequent opportunities for participation by electors. However, there is also concern that more frequent elections may tend to dilute public interest in elections, and that in practice electors may tire of passing judgment on their representatives annually. As we have noted above, it can be difficult – and in certain circumstances impossible – for electors to change overall political control of an authority when fewer than half the seats are up for election, and it is clear that this can act as a major disincentive to vote.

⁶ The Boundary Committee for England is the body charged with reviewing the internal warding arrangements of local authorities in England. It is required by statute to ensure electoral equality between wards within individual local authority areas, and to reflect local community identities and interests.

4.20 Certainly poor awareness and understanding of the local electoral cycle can affect turnout and participation. Electors who do not understand when local elections are held will be less able to participate in the democratic process and less likely to vote. As we noted earlier in chapter 3, one-sixth of the respondents to the public attitudes survey carried out by MORI were potentially disenfranchised – whether they wanted to vote or not – simply by being ill-informed or unaware of the elections taking place.

4.21 In our consultation paper we outlined the findings from a study of the relationship between the local electoral cycle and local election turnout, carried out by the Local Government Chronicle Elections Centre, University of Plymouth. Taking into account social, economic and political characteristics, the research sought to identify the particular contribution to overall local turnout made by the electoral cycle, and consider what effect changing electoral cycles might have on turnout in those authorities that currently have whole council elections or elections by thirds.

4.22 The Elections Centre's evidence gives some weight to the suggestion that more frequent elections can tend to dilute public interest and reduce turnout. Over the last 30 years, they found that the four-yearly elected London boroughs generally have had a higher electoral turnout than the metropolitan boroughs, which elect by thirds. In all years when both types of authority have held elections, with the single exception of 2002, the turnout in London has been between two and ten percentage points higher than in the metropolitan authorities. Similar differences were measured between shire districts that hold either partial or whole council elections. In those years when both types of district hold elections, turnout has been lower in shire districts with elections by thirds.

4.23 Analysing social, economic, structural and political variables, the Elections Centre sought to understand the key determinants of local participation and turnout, and also assessed the theoretical effect of applying the alternative electoral cycle to the authorities included in the study. Its findings suggested that turnout would decline in authorities that normally have whole council elections if

they held elections by thirds, and would rise slightly if authorities that normally have elections by thirds held whole council elections instead.

4.24 Many respondents, particularly those from within local government itself, suggested that the true cause of low levels of turnout and engagement lay in the decreasing powers and relevance of local government, and poor perceptions among electors of local government's ability to effect change. In their view, changes to the electoral cycle were unlikely to help improve turnout or democratic participation. Several respondents from local authority areas that currently elect by thirds also suggested that turnout figures in their own areas did not concur with the overall findings of the Elections Centre. We recognise that many different factors may influence levels of turnout, but do not accept that individual exceptions to the Elections Centre's findings invalidate its conclusions. The balance of evidence suggests that local government electors are less likely to participate in the democratic process in areas that hold elections by thirds.

Management and performance

4.25 In addition to democratic considerations discussed above, the cycle or frequency of elections may also have some impact on the capacity of local authorities to manage effectively and deliver their responsibilities. It is clear from our consultation that local government stakeholders particularly value the role of stability and leadership in enabling effective management of local authorities.

4.26 However, respondents viewed the idea of stability in different ways. For those supporting elections by thirds, stability meant less potential for abrupt changes of political control and switches of policy. Those who favour whole council elections every four years, on the other hand, emphasised the importance of consistency of policies and representatives through a defined period of office, without the interruption and diversion of intervening elections.

4.27 In our consultation and evidence paper, we also examined the results of the Audit Commission's Comprehensive Performance Assessment inspections of 1,466 unitary councils, London boroughs, metropolitan

boroughs and unitary councils. It was not clear to us that there was any direct link between the electoral cycle of individual authorities and their CPA inspection rating. Although some inspection reports noted issues such as relatively high levels of turnover of councillors, it is clear that other unrelated factors have far greater bearing on the performance of local authorities, in particular the need for strong political and officer leadership.

4.28 It is clear that strong and otherwise well-managed authorities can perform well and deliver services effectively under either type of electoral cycle, and equally that either system can be problematic when things go wrong. However, such evidence as there is suggests that whole council elections every four years can provide a degree of inherent stability. Whole council elections give a clear mandate to representatives for a programme of policies during the following four years, and allow time for an administration to carry through its policies. At the end of the four-year period the administration is held to account by the electorate and can be judged by its record, its success or failure. We note that many authorities that elect by thirds, particularly metropolitan boroughs, have traditionally had strong single-party political control, a legacy of political stability rather than any inherent structural stability.

Other issues

4.29 We have also been asked to consider the extent to which any option for change to the electoral cycle might be facilitated by possible new ways of voting, including increased postal voting, electronic counting and multi-channel e-voting. We recognise that an option involving a significantly increased number of elections may present some administrative challenges, and that new ways of voting may be helpful for both electors and administrators. However, we do not view this as a significant factor to be taken into account in considering the most appropriate electoral cycle for local authorities in England. We also note that the frequency of opportunities to pilot new voting technologies in England may be affected by the recommendations of this review. Again, while this may be an important factor within the context of the overall electoral pilots programme, we have not considered it significant in this review.

Recommendation

4.30 We have carefully considered the range of arguments advanced by respondents in favour of either whole council or partial elections for local authorities in England. While we have sympathy with many of these arguments, the balance of evidence that we have considered suggests that whole council elections are more likely to provide clarity for electors and a degree of stability for local authorities. In particular, certain key principles have emerged that have guided our conclusions.

4.31 We have recommended that the cycle of local government elections in England should follow a clear and consistent pattern, within and across local authorities. In our view, a key principle in considering the electoral cycle for local authorities should be to ensure that all electors are given the same opportunities for participation in the local democratic process. Having taken into account the evidence and arguments presented during our consultation process, we have concluded that a pattern of whole council elections for all local authorities in England would provide a clear, equitable and easy to understand electoral process that would best serve the interests of local government electors.

4.32 In particular, a pattern of whole council elections would allow community identities to be more easily reflected in ward boundaries when reviewing local authorities' electoral arrangements. We also note that, under a consistent pattern of whole council elections across England, there would be no obvious reason why metropolitan boroughs should continue to be required to have three-member wards. The opportunity of this review might be taken to remove the current requirement that metropolitan borough wards must have a number of members divisible by three, although we recognise that this would require change to primary legislation.

4.33 The Commission recommends that each local authority in England should hold whole council elections, with all councillors elected simultaneously, once every four years.

4.34 Our suggestions for the implementation of the recommendations of this review are outlined in the following chapter.



5 Implementation

We recognise that our recommendations to simplify the current cycle of local government elections in England would, if implemented, involve considerable change to existing arrangements. Our proposals therefore seek to balance the need for a pragmatic approach to change with our desire to see timely reform.

Implementation issues

5.1 Under our recommendations for change to the current local electoral cycle in England, outlined in the previous two chapters, each local authority would elect all of its members simultaneously, once every four years. Voters in London would continue to elect their mayor and members of the London Assembly every four years.

5.2 However, several significant issues for the implementation of our recommendations remain, which we have not fully addressed in the preceding chapters. While we are content to recommend that individual local authorities should hold whole council elections once every four years, we are conscious that a national pattern of electoral cycles will be created by bringing these individual electoral cycles together. We have considered a number of issues relating to the national pattern of local electoral cycles below, and propose some options for implementation for further consideration by the Government and others.

Councillors' terms of office

5.3 As we noted in our consultation paper, four-year terms of office have been the norm in local government in England since the reorganisation of local government in the early 1970s. However, we recognised that certain possible options for change to the local electoral cycle might require some change to the normal term of office for councillors. A three-year term, for example, would allow annual elections by thirds with no fallow year. During consultation, we asked respondents whether the four-year term of office for local councillors should be retained.

5.4 The balance of views on the most appropriate term of office for councillors was strongly in support of retaining the current four-year term, with a significant majority opposing change. Respondents were in broad agreement that four years allow sufficient time for councillors to grow into their role and plan for the medium term, without sacrificing the advantages of regular electoral accountability. One respondent proposed a five-year term of office to allow coordination

with European parliamentary elections, while several others suggested that a three-year term for councillors would mean greater accountability.

5.5 We have seen no significant evidence to suggest that the current four-year term is inappropriate, and there is certainly little support for change among respondents. However, it is likely that some changes to initial terms of office for councillors will be necessary during the transition between current arrangements and any future pattern. Issues relating to this transitional period are discussed in more detail below.

Timing of elections

5.6 Under current arrangements for elections in areas with two tiers of local government, elections to the different authorities are not held at the same time, although parish council elections are normally held in the same year as those of the principal authority. County council elections are held in the fallow fourth year of the electoral cycle for district authorities that elect by thirds, which is also the mid-point for districts that hold whole council elections. In considering the implementation of proposals for change to the local electoral cycle, we asked respondents whether it was appropriate to continue to stagger elections to different tiers of local government.

5.7 There was broad support in response to our consultation paper for continuing to stagger elections in areas with two tiers of local government, with less than a quarter of respondents preferring to hold elections in the same year. Respondents particularly emphasised the importance of highlighting the distinction between the roles and responsibilities of different tiers of local government, in order to reduce confusion and ensure clear lines of accountability. One respondent noted that ‘it is not unusual for a member of a district authority to unfairly take the blame for poor service delivery from a county authority (and vice versa)’.

5.8 Those who preferred not to stagger local elections suggested that combining elections in a single ‘local election day’ would clearly highlight the opportunity for

participation in the democratic process. They also suggested that combining elections could reduce costs, both for political parties and electoral administrators in relation to the running of elections. However, several respondents argued that combined local government elections would be more susceptible to being used as an informal referendum on national government.

5.9 We recognise that respondents would largely prefer that elections continue to be staggered in two-tier areas. We have outlined two alternative patterns. Under the first of these, different types of authorities would hold elections in the same year, while, under the second, elections for district councils and county councils or city-wide authorities would be staggered. It does, however, seem sensible to us that parish councils should continue to be elected at the same time as the district or unitary council. Elected mayors, where they have been put in place under the Local Government Act 2000, should also be elected at the same time as the principal authority.

5.10 A majority of respondents also preferred not to combine local elections with elections to the Westminster or European parliaments. While they acknowledged that local turnout may increase, they also expressed concern that local government issues were likely to be overshadowed by national concerns. Indeed, turnout at local elections in England does tend to increase when held at the same time as Westminster parliamentary general elections, and can also rise when held at the same time as European parliament elections. However, analysis of national and local media in Scotland in May 2003 suggested that the local elections were overshadowed by the Scottish Parliament contest, receiving little coverage or commentary.⁸ We have some sympathy with this concern, and would ordinarily prefer Westminster or European parliament elections to take place in a different year to local government elections in England. However, we recognise that this is an unrealistic expectation at present, given the absence of a fixed term for the Westminster Parliament and the five-year term of the European Parliament.

⁸ Institute of Governance, University of Edinburgh (2003) *Media Coverage of the Council Elections in Scotland, 2003*.

Options for implementation

5.11 We outline below two proposals for the implementation of our recommendations for change to the cycle of local government elections in England. Other options for implementation were considered but dismissed. We have included provisional suggestions for the cycle of elections to any future regional assemblies, in line with our recommendation that any future bodies should remain consistent with the pattern of local government electoral cycles. However, we recognise that the introduction of any regional assemblies is dependent on the result of future referendums in those areas. We have also included details of Westminster and European parliamentary election cycles in the summary tables. While European parliamentary elections take place every five years, Westminster parliamentary elections are not held on a fixed term, and we have assumed a full five-year term for Westminster in the models described below.

5.12 We have not included specific dates for the implementation of the models discussed below. We have indicated the points during the four-year electoral cycle at which elections might take place, but the actual implementation of any model should be the subject of further discussion and debate.

Option one

5.13 Under the first of our suggested options for implementation, every local authority in England, including county councils, district councils, metropolitan borough councils, London borough councils, unitary councils and parish councils, would elect all of their members simultaneously once every four years. The Greater London Authority would also be elected at the same time, together with any future elected regional assemblies.

Table 2: option one

Year	Local authority elections	Other elections
1	Districts, metropolitan boroughs, London boroughs, unitary authorities, parishes Counties, GLA	EP (regional assemblies)
2	<i>No elections</i>	
3	Westminster?	
4	<i>No elections</i>	
1	Districts, metropolitan boroughs, London boroughs, unitary authorities, parishes Counties, GLA	(regional assemblies)
2	EP	
3	<i>No elections</i>	
4	Westminster?	
1	Districts, metropolitan boroughs, London boroughs, unitary authorities, parishes Counties, GLA	(regional assemblies)

5.14 This option would have the advantage of providing a clear nationwide focus on local government elections in England. However, combining all local government elections might diminish the important distinction for electors between different local government elections taking place in the same area. It may also present significant difficulties in making clear distinctions between the roles and responsibilities of local and sub-national government in areas where regional assemblies or other strategic authorities may be established in future. Combination might also make it more likely that local government elections in England be considered as mid-term judgment on national issues when held between Westminster elections, or are entirely influenced and overshadowed by any general election held at the same time.

5.15 From an administrative perspective, some election officials have indicated concerns about the practical difficulties of running multiple local elections simultaneously, although they acknowledge that

combined elections may result in some cost savings. It is also not clear at present how and when the Government intends to take forward our recommendation that all local government elections should be conducted by all-postal ballot.⁹ Using different voting methods for different elections taking place simultaneously in particular areas, shire districts and county councils or London boroughs and the GLA, for example, would raise issues for both administrators and voters.

Option two

5.16 The second option for the implementation of our recommendations would see all local government electors in England electing members of their most immediate local council – district councils, metropolitan boroughs, London boroughs or unitary authorities – simultaneously once every four years. Two years later, in the mid-point of the electoral cycle, those electors in areas with county councils or strategic city-wide authorities (or future sub-national authorities including any regional assemblies) would elect representatives to these bodies.

Table 3: option two

Year	Local authority elections	Other elections
1	Districts, metropolitan boroughs, London boroughs, unitary authorities, parishes	EP
2	<i>No elections</i>	
3	Counties, GLA	Westminster? (regional assemblies)
4	<i>No elections</i>	
1	Districts, metropolitan boroughs, London boroughs, unitary authorities, parishes	EP
2	<i>No elections</i>	
3	Counties, GLA	(regional assemblies)
4	Westminster?	
1	Districts, metropolitan boroughs, London boroughs, unitary authorities, parishes	

5.17 Under this second option for implementation, all local government electors would have the opportunity to vote in the first year of the electoral cycle, with the benefit of simplicity and a national focus on local issues. It would also make clear the important distinction for electors between different tiers of local and strategic city-wide or sub-national government in those areas where such arrangements exist.

Recommendation

5.18 Our preferred option for the implementation of our recommendations is the second of the two described above, which would see all local government electors in England voting at the same time once every four years for their most immediate local authority, whether that be district council, metropolitan or London borough or unitary council. Unitary county councils, such as the Isle of Wight, would also hold elections in the first year of the cycle, alongside other unitary councils. All those electors in areas with further local or city-wide strategic authorities

⁹ The Electoral Commission (2003), *The shape of elections to come*.

(county councils or the Greater London Authority) would vote for those authorities two years later, in the mid-point of the four-year electoral cycle. We would envisage that elections to any future levels of sub-national government, including regional assemblies, would also take place in the third year of the cycle.

5.19 While we recognise that the first option for implementation may have some merits, we consider that the second option would provide the best balance between administrative convenience and the need for clarity from the voter's perspective. In particular, we are concerned that option one would not provide sufficient clarity for electors regarding the timing and purpose of local government elections, and would be likely to diminish the important distinction between different authorities in areas with two tiers of local government. Greater clarity and consistency of the local election cycle should also give national political parties and media the opportunity to focus on local, rather than national, political issues at election time.

The Commission recommends that all local government electors in England should elect members of their district, metropolitan borough, London borough or unitary council simultaneously once every four years. Two years later, in the mid-point of the electoral cycle, electors in areas with county councils, city-wide authorities or any future sub-national government should elect representatives to those bodies.

Transitional arrangements

5.20 We have outlined in this and preceding chapters our recommendations for change to simplify the cycle of local government elections in England. Our findings highlight the need to establish a number of important principles for local electors, particularly the need for consistency and equity in opportunities to vote at local elections. We look forward to the response to this review, and hope that our conclusions will be welcomed. In the event that our recommendations are accepted by Government and Parliament, we would expect reasonably swift movement to ensure timely implementation.

5.21 The move to a consistent pattern of whole council elections across England would have implications for a number of aspects of current electoral arrangements. In particular, there may be changes to the initial terms of office of some councillors during the transitional period before the full implementation of any recommendations. In those areas that currently elect by thirds or by halves, for example, the terms of office of some councillors may be reduced in the years before the first full council elections. Similarly, although all county councils and the Greater London Authority currently hold whole council elections, their elections take place in different years. Changes to the terms of office for some sitting councillors would be required in order to ensure that in future years those elections take place at the same time.

5.22 We note that both five-year terms of office and consecutive election years are generally considered undesirable, and while variations to terms have been used in the past as part of transitional arrangements, there is no precedent for election to a five-year term of office. Arrangements for the implementation of these recommendations should involve as little disruption to current electoral arrangements as possible, without unnecessary delay.

If the recommendations of this review are accepted by Government and Parliament, we will work with central and local government partners to identify the most appropriate approach to timely implementation.

Appendix 1

Secretary of State's request to The Electoral Commission

Request pursuant to Section 6(2) of the Political Parties, Elections and Referendums Act 2000 and Terms of Reference

1. Section 6(2) of the Political Parties, Elections and Referendums Act 2000 (PPER Act) states:

"At the request of the Secretary of State, and within such time as the Secretary of State may specify, the Commission shall-

*(a) review, and
(b) submit a report to the Secretary of State on,
such matters or matters (whether or not falling within subsection (1)) as the Secretary of State may specify."*

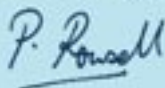
2. Pursuant to the provisions of section 6(2) of the PPER Act, the Secretary of State hereby requests that the Electoral Commission review and submit a report to him on the cycle of local government elections in England¹, identifying options for change that would simplify the current cycle. Such options may include, if appropriate, options involving changes to councillor's terms of office and to local authorities' electoral arrangements² in England.

3. The Electoral Commission is requested to include in its report an assessment of the desirability and practicality of any options for change it identifies and recommendations as to the implementation of such options.

4. In carrying out the review and making its report, the Commission is requested to have regard to the matters specified in the Annex and of all other matters that they consider relevant.

5. The report shall be prepared by the Commission and presented to the Secretary of State no later than 31 January 2004.

Signed for and on behalf of the Secretary of State



28 January 2003

¹ "local government elections" shall be the elections (other than those caused by vacancies) for principal authorities (including mayoral elections), parish councils and the Greater London Authority.

² the number and boundaries of wards and electoral divisions and the number of councillors (see s14 of the Local Government Act 1992).

Annex

The matters to which the Commission are requested to have regard are:

1. The extent to which an option for change:
 - would improve councils' democratic legitimacy and local accountability;
 - would enable the electorate and public generally to easily understand when elections are to be held and their purpose;
 - would be likely to improve participation of the local electorate in the electoral process, including participation of specific groups – such as young people and ethnic minorities – where participation in the process is particularly low; and
 - would be likely to facilitate the effective management of local authorities and particularly performance improvements in the case of local authorities categorised as “poor performers” in the Comprehensive Performance Assessments.
 - Might be facilitated by possible new ways of polling, including increased postal voting, electronic counting and multi channel e-voting.
2. The relationship between local government elections and other elections in England, namely the elections to the Westminster and European Parliaments, including cases where elections currently fall in close proximity to each other, and the combination of polls at local government elections with such elections, or otherwise.
3. The relationship between different local government elections in related areas, and the combination (or otherwise) of polls at such elections.

Appendix 2

Respondents to the consultation paper and consultation meetings

Total respondents 269

Local authorities

Adur District Council
 Arun District Council
 Ashfield District Council
 Babergh District Council
 Basingstoke and Deane Borough Council
 Bedfordshire County Council
 Bexley Council
 Birmingham City Council
 Blyth Valley Borough Council
 Bracknell Forest Borough Council
 Breckland District Council
 Brentwood Borough Council
 Bristol City Council
 Broadland District Council
 Burnley Borough Council
 Cambridge City Council
 Cannock Chase Council
 Canterbury City Council
 Carlisle City Council
 Chelmsford Borough Council
 Cheshire County Council
 Chester City Council
 Copeland Borough Council
 Coventry City Council
 Darlington Borough Council
 Daventry District Council
 Derby City Council
 Derbyshire Dales District Council
 Derwentside District Council
 Devon County Council
 Dorset County Council
 Durham County Council
 East Dorset District Council
 East Hampshire District Council
 East Hertfordshire District Council
 Eastbourne Borough Council
 Eastleigh Borough Council
 Epping Forest District Council
 Exeter City Council
 Fareham Borough Council
 Gateshead Council

Gedling Borough Council
 Gloucester City Council
 Gloucestershire County Council
 Halton Borough Council
 Hampshire County Council
 Harrogate Borough Council
 Hart District Council
 Hastings Borough Council
 Havant Borough Council
 Kent County Council
 Kerrier District Council
 Kettering Borough Council
 King's Lynn & West Norfolk
 Kirklees Metropolitan Borough Council
 Lancashire County Council
 Lancaster City Council
 Leicestershire County Council
 Lewes District Council
 London Borough of Barnet
 London Borough of Camden
 London Borough of Enfield
 London Borough of Hammersmith & Fulham
 London Borough of Harrow
 London Borough of Havering
 Royal Borough of Kensington and Chelsea
 Royal Borough of Kingston-upon-Thames
 London Borough of Lambeth
 London Borough of Tower Hamlets
 London Borough of Wandsworth
 Luton Borough Council
 Maidstone Borough Council
 Maldon District Council
 Manchester City Council
 Medway Council
 Mid Beds District Council
 Mid Suffolk District Council
 Mid Sussex District Council
 Mole Valley District Council
 New Forest District Council
 Norfolk County Council
 North Cornwall District Council
 North Dorset District Council
 North East Derbyshire District Council
 North Lincolnshire Council

North Shropshire District Council
 Northampton Borough Council
 Northumberland District Council
 Norwich City Council
 Nuneaton & Bedworth
 Borough of Oadby & Wigston
 Oldham Metropolitan Borough Council
 Oxfordshire County Council
 Pendle Borough Council
 Peterborough City Council
 Borough of Poole
 Preston City Council
 Purbeck District Council
 Ribble Valley Borough Council
 Reigate and Banstead Borough Council
 Rochdale Metropolitan Borough Council
 Rochford District Council
 Rotherham Metropolitan Borough Council
 Rugby Borough Council
 Rushcliffe Borough Council
 Rushmoor Borough Council
 Salford City Council
 Shepway District Council
 Slough Borough Council
 South Bedfordshire District Council
 South Bucks District Council
 South Gloucestershire Council
 South Ribble Borough Council
 South Tyneside Metropolitan Borough Council
 Southampton City Council
 Southend-on-sea Borough Council
 St. Edmundsbury District Council
 Stafford Borough Council
 Staffordshire County Council
 Stockport Metropolitan Borough Council
 Stratford on Avon District Council
 Stroud District Council
 Swale Borough Council
 Swindon Borough Council
 Tandridge District Council
 Tauton Deane Electoral Services
 Borough of Telford and Wrekin
 Three Rivers District Council
 Torbay Council

Uttlesford District Council
 Warwick District Council
 Waveney District Council executive
 Waveney District Council cross-party working group
 West Oxfordshire District Council
 West Sussex County Council
 Weymouth & Portland Borough Council
 Wigan Metropolitan Borough Council
 Wirral Metropolitan Borough Council
 Wolverhampton City Council
 City of Worcester
 Worcester County Council
 Wycombe District Council
 Wyre Forest District Council

Local authority representatives

Cllr Ray Auger, South Kesteven District Council
 Cllr David Beechey, Bridgnorth District Council
 Cllr Nick Brown, Portishead Town Council
 Mayor Frank Branston, Bedford Borough Council
 Cllr John Byrne, Bury Metropolitan Borough Council
 Cllr Judith Cluff, Taunton Deane Borough Council
 Cllr Carol Davis, Herne and Broomfield Parish Council
 Cllr David Gardner, London Borough of Greenwich
 Cllr John T Hall, Test Valley District Council
 Cllr Colin Inglis, Kingston-upon-Hull Council
 Cllr Geoff Knight, Lancaster City Council
 Cllr David Nettleton, St. Edmundsbury Borough Council
 Cllr Don Phillips, Chiltern District Council
 Cllr Mary Smith, Gloucester City Council
 Cllr G W Taylor, South Kesteven District Council
 Cllr John Waters, London Borough of Bexley
 Cllr Gavin Webb, Newcastle-under-Lyme Borough Council
 Cllr David White, Stockport Metropolitan Council
 Cllr Janet Whitehouse, Essex County Council
 Cllr John Wilks, South Kesteven District Council

Local government officers

Sue Bonham-Lovett, Electoral Services Manager,
 Weymouth & Portland Borough Council
 Max Caller, Chief Executive, London Borough of Hackney
 Liz Cloke, Senior Electoral Services Officer, Basingstoke

and Deane Borough Council
 Geoff Knowles, Electoral Registration Manager, Newport City Council
 David Holling, Returning Officer, West Berkshire Council
 John Walker, Chief Elections and Electoral Registration Officer, Rotherham Metropolitan Borough Council
 Darren Whitney, Principal Democratic Officer, Stratford on Avon District Council

Local councils

Badsey & Aldington Parish Council
 Combe Hay Parish Council
 Faversham Town Council
 Godalming Town Council
 Hatfield Town Council
 Holbrok Parish Council
 Keynsham Town Council
 Kingston Seymour Parish Council
 Long Ashton Parish Council
 Loughton Town Council
 Southam Town Council
 Stroud Town Council
 Totnes Town Council
 Ubley Parish Council
 Ufton Parish Council
 Upton-upon-Severn Town Council

Members of Parliament and Peers¹

Claire Curtis-Thomas MP (Crosby and Formby)
 Valerie Davey MP (Bristol West)
 David Drew MP (Stroud)
 Lynne Jones MP (Birmingham Selly Oak)
 Khalid Mahmood MP (Birmingham Perry Barr)
 Andrew Turner MP (Isle of Wight)
 Derek Wyatt MP (Sittingbourne and Sheppey)
 The Lord Best OBE
 The Rt Hon the Lord Renton
 Lord Wolfson of Marylebone

Political parties

Citizens Party of Halton
 The Conservative Party
 The Green Party of England and Wales
 Molesey Residents Association
 The Populist Party
 Rainham Residents Association
 Runnymede Independent Resident Group
 Scottish Liberal Democrats
 Upminster & Cranham Residents' Association

Local political groups

Amber Valley Borough Council Labour Group
 Basingstoke & Deane Borough Council Conservative Group
 Basingstoke and Deane Labour Group
 Basingstoke and Deane Liberal Democrat Group
 Birmingham Liberal Democrat Group
 Blackburn Labour Party
 Bristol Conservatives
 Bristol City Council Liberal Democrats
 Parks Branch of Chester Constituency Labour Party
 Ealing Liberal Democrats
 Eccles Constituency Labour Party
 Exeter Conservative Association
 Gillingham & Medway Liberal Democrats
 Herefordshire County Council Conservative Group
 Lancaster City Council – Conservative Group
 Lancaster City Council – Liberal Democrat Group
 Lancaster and Lancashire Councils Green Party Group
 Lichfield, Burntwood and Tamworth Local Lib Dems
 London Borough of Ealing Conservative Group
 Merton Liberal Democrats
 Mole Valley District Council Independent Group
 North Lincolnshire Labour Group
 Penwith District Council Conservative Group
 Penwith District Council Independent Group
 Penwith District Council Labour Group
 Penwith District Council Liberal Democrat Group
 Stockport Metropolitan Borough Council Labour Group
 Suffolk County Council Conservative Group
 Swale Labour Party
 Tunbridge Wells Borough Council – Conservative Group

¹ Including one MP who did not identify him- or herself.

Tunbridge Wells Borough Council – Liberal Democrat Group
Labour in Wandsworth
West Lewisham Green Party
Wimbledon Constituency Labour Party

Academics

Professor Chris Skelcher, Institute of Local Government Studies, University of Birmingham
Professor John Stewart, Institute of Local Government Studies, University of Birmingham

Other organisations

Association of Electoral Administrators (AEA)
Association of Electoral Administrators Scottish Branch
Association of London Government
The Audit Commission
Boundary Commission for England (confidentiality requested)
Essex Association of Local Councils
Equality Commission for Northern Ireland
Kent Association of Parish Councils
Local Government Information Unit
Local Government Association
National Association of Local Councils
National Union of Residents' Associations
OSCE Office for Democratic Institutions and Human Rights
Royal Mail Group PLC
Society of Local Authority Chief Executives and Senior Managers (SOLACE)
Welsh Assembly Government

Individuals

Albert Broadbent
D. J. Close
Mary Crane
Roger Crudge
Peter Dunham
Angela Essex
John Hoare
John Kelly
Joe Otten

Nicky Rylance
E. R. Schrin

Consultation meetings

Date	Meeting
10 July 2003	LGA North West regional group (Blackburn)
18 July 2003	LGA West Sussex sub-regional group (Chichester)
9 September 2003	Association of London Government
9 September 2003	Crawley Borough Council
11 September 2003	AEA South East branch (Crowborough)
11 September 2003	LGA Labour group (Local Government House, London)
11 September 2003	LGA Liberal Democrat group (Local Government House, London)
12 September 2003	AEA South branch (Andover)
12 September 2003	AEA London branch (City Hall)
12 September 2003	County Councils Network (Local Government House, London)
15 September 2003	AEA North East branch (Chester-le-Street)
19 September 2003	AEA West Midlands branch (Shrewsbury)
23 September 2003	AEA Eastern branch (Saffron Walden)
26 September 2003	LGA Southern Counties regional group (Isle of Wight)
2 October 2003	Discussion group on CPA, six authorities (Trevelyan House, London)
3 October 2003	LGA South West regional group (Taunton)
14 October 2003	LGA Conservative group (Local Government House, London)

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Notes

We are an independent body that was set up by the UK Parliament. We aim to gain public confidence and encourage people to take part in the democratic process within the UK by modernising the electoral process, promoting public awareness of electoral matters, and regulating political parties.

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London SW1P 2HW

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Appendix B - Estimated Savings

Table 1 As Is Elections Cycle Expenditure

	Expenditure					
	Year 1	Year 2	Year 3	Year 4	Year 5	Total
	£	£	£	£	£	£
Total expenditure on election	126,000		88,000	126,000	126,000	
Total income from other sources	-72,000			-18,000	-72,000	
Cost to Tandridge District Council	54,000	0	88,000	108,000	54,000	304,000

Table 2 Whole Council Elections Cycle Expenditure

	Expenditure					
	Year 1	Year 2	Year 3	Year 4	Year 5	Total
	£	£	£	£	£	£
Total expenditure on election	126,000				126,000	
Assumed cost of increases	24,000				24,000	
Total income from other sources	-72,000				-72,000	
Cost to Tandridge District Council	78,000	0	0	0	78,000	156,000

Table 3 Anticipated Costs Under Whole Council Elections

	Expenditure					
	Year 1	Year 2	Year 3	Year 4	Year 5	Total
	£	£	£	£	£	£
Cost to Tandridge District Council	24,000	0	(88,000)	(108,000)	24,000	(148,000)

These figures assume that the Parish Council elections would be moved so that they fall on the same day as elections to the District Council. They also assume that Police and Crime Commissioner Elections would fall on the same day (which will happen at the May 2024 elections). They do not include any funding for national elections (for example, a General Election) which are funded centrally and can be held at any time.

Expected Local Elections As Is

- Year 1: District, Parish and Police and Crime Commissioner Elections
- Year 2: Surrey County Council Elections - Total cost recovered from SCC
- Year 3: District Elections (14 Wards)
- Year 4: District and Parish Elections

Expected Local Elections Whole Council Elections

- Year 1: District, Parish and Police and Crime Commissioner Elections
- Year 2: Surrey County Council Elections - Total cost recovered from SCC
- Year 3: None
- Year 4: None

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Whole council elections public consultation proposal

The Council is considering moving to all out elections. This means over the four-year term, elections would only be held in year one for all councillors at the same time.

If agreed at committee, the public consultation will be published on the Council's website following the May district elections and will run from 9am on Monday 9 May to 5pm on Friday 17 June.

E-mail invitations to respond to the consultation will be sent to:

- Tandridge district councillors.
- District parish councils.
- East Surrey MP.
- Surrey county councillors.
- Council officers.
- Business Improvement District managers / Lingfield Chamber of Commerce.

We will notify residents and businesses of the public consultation on our website, on all our digital channels (e-mail footer, e-newsletters, social media), through local media and our partners. Printed materials will be limited and budget dependent, this could include posters, leaflets, banners, paid print media advertising.

Names and postcodes will be captured on the online and paper form for residents and businesses.

The consultation will consider responses from outside the district, but more weight may be attributed to responses from the district.

We will encourage responses to be made using an online form on our website. Paper copies will however be available at:

- The Council offices reception in Oxted.
- Caterham, Oxted and Warlingham libraries.
- Caterham and Oxted Citizen Advice Bureau?

The results of the consultation will be reported back to the Lead Democratic Specialist to take to committee in June 2022.

Draft consultation online form

We are inviting residents and businesses in the district to give their thoughts on changing the district's election process.

Currently district elections take place by thirds, which means a third of the Council's councillors are elected each year. We are considering moving to all out elections, which means elections are held every four years for every councillor.

By responding to this consultation, you can have your say on the districts electoral process.

1. Are you currently one of the following:

- A district or county councillor
- A parish councillor
- East Surrey MP
- A council officer

Yes / No [if no is ticked ask question 4, if yes ticked do not ask question 4]

2. Do you think Tandridge District Council should move to an all out electoral system. This means elections are held once every four years for every councillor?

Yes / No

3. Do you have any comments you would like us to consider when deciding whether or not to move to all out elections?

Comment box [] 250 characters

4. For residents and businesses

Title []

First name []

Last name []

Postcode []

Thank you for your submitting your response.

To keep up to date on this consultation and all the Council's news, why not sign up for our [free e-newsletters](#).