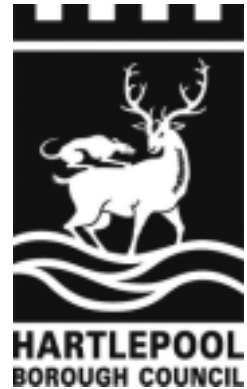


FINANCE AND EFFICIENCY PORTFOLIO DECISION SCHEDULE



Thursday, 26 March 2009

at 3.00 pm

**in Committee Room A
Civic Centre, Hartlepool**

Councillor Payne, Cabinet Member responsible for Finance and Efficiency will consider the following items.

1. KEY DECISIONS

None

2. OTHER ITEMS REQUIRING DECISION

- 2.1 Proposed Lease Of Unit At Ladysmith Street, Longhill Industrial Estate - *Head of Procurement, Property and Public Protection*
- 2.2 Commissioning And Procurement Strategy 2009 – 2010 - *Head of Procurement, Property and Public Protection*
- 2.3 Assisted Car Purchase Scheme – *Chief Financial Officer*
- 2.4 Irrecoverable Debts – Housing Benefit Overpayments – *Chief Financial Officer*
- 2.5 Irrecoverable Debts – Sundry Invoices – *Chief Financial Officer*
- 2.6 Irrecoverable Debts – Business Rates – *Chief Financial Officer*
- 2.7 Irrecoverable Debts – Council Tax – *Chief Financial Officer*
- 2.8 Local Land Charge Search And Property Search Fees – *Chief Personnel Officer*
- 2.9 Former Blakelock Gardens Day Centre - *Head of Procurement, Property and Public Protection*

3. ITEMS FOR INFORMATION

- 3.1 Procurement Update Report – *Head of Procurement, Property and Public Protection*
- 3.2 Space To Learn Project – St Hild's School - *Director of Children's Services and Head of Procurement, Property and Public Protection*

4. REPORTS FROM OVERVIEW OF SCRUTINY FORUMS

None

5. LOCAL GOVERNMENT (ACCESS TO INFORMATION) (VARIATION) ORDER 2006

EXEMPT ITEMS

Under Section 100(A)(4) of the Local Government Act 1972, the press and public be excluded from the meeting for the following items of business on the grounds that it involves the likely disclosure of exempt information as defined in the paragraphs referred to below of Part 1 of Schedule 12A of the Local Government Act 1972, as amended by the Local Government (Access to Information) (Variation) Order 2006

6. KEY DECISION

None

7. OTHER ITEMS REQUIRING DECISION

- 7.1 Dyke House Community Resource Centre, Wharton Terrace - *Head of Procurement, Property and Public Protection*
- 7.2 Headland Development Trust, New Life Centre - *Head of Procurement, Property and Public Protection*
- 7.3 Caretaker's House, Elizabeth Way, Seaton Carew - *Head of Procurement, Property and Public Protection*
- 7.4 Hart Smallholdings - *Head of Procurement, Property and Public Protection*
- 7.5 Land At Maxwell Court - *Head of Procurement, Property and Public Protection*
- 7.6 Land At Seaton Lane - *Head of Procurement, Property and Public Protection*
- 7.7 Land At Wells Street, Headland, Hartlepool - *Head of Procurement, Property and Public Protection*
- 7.8 Rockhaven, 36 Victoria Road - *Head of Procurement, Property and Public Protection*
- 7.9 Proposed Extension Of Lease To Northgate, Level 1 Civic Centre – *Head of Procurement, Property and Public Protection*
- 7.10 The Proposed Sale Of Land At Londonderry Street – *Head of Procurement, Property and Public Protection*

FINANCE AND EFFICIENCY PORTFOLIO

Report To Portfolio Holder

26th March 2009



Report of: Head of Procurement, Property and Public Protection

Subject: PROPOSED LEASE OF UNIT AT LADYSMITH STREET, LONGHILL INDUSTRIAL ESTATE

SUMMARY

1. PURPOSE OF REPORT

To seek Portfolio Holder's approval to enter into an agreement to occupy a unit on Ladysmith Street, Longhill Industrial Estate, Hartlepool for its Youth Offending Service.

2. SUMMARY OF CONTENTS

Background details behind the proposed use is provided with terms for the occupation of Unit 6 Usworth Road which have been provided by the Landlord for the Estate.

3. RELEVANCE TO PORTFOLIO MEMBER

The Portfolio Holder has responsibility for Asset Management.

4. TYPE OF DECISION

Non-Key decision.

5. DECISION MAKING ROUTE

Portfolio Holder only.

6. DECISION(S) REQUIRED

That Portfolio Holder approves the Council taking the Lease subject to the terms proposed.

Report of: Head of Procurement, Property and Public Protection

Subject: **PROPOSED LEASE OF UNIT AT LADYSMITH STREET, LONGHILL INDUSTRIAL ESTATE**

1. PURPOSE OF REPORT

- 1.1 To seek Portfolio Holder's approval to enter into an agreement to occupy a unit on Ladysmith Street, Longhill Industrial Estate, Hartlepool for its Youth Offending Service.

2. BACKGROUND

- 2.1 Youth Offending Services contacted the Council's Estate Department in seeking advice with regard to locating their initiative to provide a safe, controlled area to work with young people aged 10-18 years of age and their families who are involved in the criminal justice system or who require early intervention provision.
- 2.2 The early intervention is for young people who are at risk of becoming involved in the criminal justice system; they would work in small safe groups with parents and appropriate professionals using a range of resources, activities and tools. They were looking for a unit to provide the opportunity to offer an entrance and working area specifically for the Prevention Team.
- 2.3 The unit was also required to enable young people to develop independent living skills. It is proposed that it contain a large kitchen area complete with cooker, washing machine and ironing facilities. Groups will be able to learn basic living skills in a comfortable environment, allowing for peer mentoring and occasional specialists such as Indian cookery lessons, which in turn will encourage equality and diversity.
- 2.4 The Council does not currently have any vacant premises suitable and therefore the unit on Ladysmith Street, Longhill Industrial Estate, has been identified as most appropriate.
- 2.2 The premises at Ladysmith Street, Longhill have been vacant since for some time. The previous tenant of the unit was a garden centre. It is therefore assumed that the proposed occupation by Youth Offending would require change of use planning consent. This proposal has been submitted to 'one stop shop' and a response is awaited.

3. FINANCIAL IMPLICATIONS

- 3.1 The financial implications are included in the confidential **Appendix 1. This item contains exempt information under Schedule 12A of the Local Government Act 1972, (as amended by the Local Government (Access to Information)(Variation) Order 2006) namely (para 3), Information relating to the financial or business affairs of any particular person (including the authority holding that information).**

4. RECOMMENDATIONS

- 4.1 That Portfolio Holder approves the Council taking the Lease subject to the terms proposed.

NOT FOR PUBLICATION**APPENDIX 1**

This item contains exempt information under Schedule 12A of the Local Government Act 1972, (as amended by the Local Government (Access to Information)(Variation) Order 2006) namely (para 3), Information relating to the financial or business affairs of any particular person (including the authority holding that information).

1. FINANCIAL IMPLICATIONS

- 1.1 It has been proposed that Youth Offending take a lease on the property for three years. The rental is £15,000 per annum and will be liable for the rates for the building.
- 1.2 Costs for the arrangement will be funded from Youth Offending existing budgets.
- 1.3 The tenant to be responsible for the internal and external repairs of the building. Estates anticipate these costs to be limited due to the building been completely refurbished prior to the Council taking space.
- 1.4 The landlord is going to fitting the unit out to the specification of Youth Offending.

FINANCE AND EFFICIENCY PORTFOLIO

Report To Portfolio Holder

26th March 2009



Report of: Head of Procurement, Property and Public Protection

Subject: COMMISSIONING AND PROCUREMENT
STRATEGY 2009 - 2010

SUMMARY

1. PURPOSE OF REPORT

To provide an update and seek endorsement of the Commissioning and Procurement Strategy for 2009 - 2010.

2. SUMMARY OF CONTENTS

The report highlights the background and significance of the strategy its key objectives and make links with the Community Strategy, Business Transformation and value for money.

3. RELEVANCE TO PORTFOLIO MEMBER

Portfolio Holder is the procurement champion.

4. TYPE OF DECISION

Non-key decision.

5. DECISION MAKING ROUTE

Portfolio Holder only.

6. DECISION(S) REQUIRED

- i) The Portfolio Holder endorses the Commissioning and Procurement Strategy for 2009 - 2010.

- ii) The Portfolio Holder receives further reports on the development of the strategy as the Council's Business Transformation Programme is implemented.

Report of: Head of Procurement, Property and Public Protection

Subject: COMMISSIONING & PROCUREMENT STRATEGY
2009 - 2010

1. PURPOSE OF REPORT

- 1.1 To provide an update and seek endorsement of the Commissioning and Procurement Strategy for 2009 - 2010.
- .

2. BACKGROUND

- 2.1 At its meeting on 24th January 2005 Cabinet approved the revised Procurement Strategy for the Council. The Portfolio Holder has received annual reports to update the strategy the last being approved by the Portfolio Holder on 27th February 2008.
- 2.2 In addition a corporate Commissioning Strategy was approved by Cabinet on 20th June 2005 and the framework within it has been adopted as the Commissioning Strategy for Hartlepool.
- 2.3 It is now opportune to review and prepare an integrated Commissioning and Procurement Strategy for the Council.
- 2.4 The strategy is significant in bringing together several national agendas and setting them in a local context. Key drivers include: -
- The Local Government White Paper – Strong and Prosperous Communities
 - The Comprehensive Spending Review 2007 (CSR07)
 - The Council's Efficiency Strategy and Business Transformation Programme
 - Hartlepool's Community Strategy
- 2.5 Current Government legislation and regulations firmly identify the future role of Local Government to be that of commissioner of services, with service provision being obtained from the most economic, efficient and effective sources, whether they be within the public, private or voluntary sectors, and/or combinations or partnerships thereof. The thrust of the legislation is to improve outcomes for local people.
- 2.6 Commissioning must be undertaken within a framework provided by both national and locally determined strategies, policies and objectives.

- 2.7 Commissioning is the process of specifying, securing and monitoring services to meet individual and/or group needs, both in the short and long term. As such it covers not only the service procurement process but also a strategic approach to shaping markets to meet future needs.
- 2.8 It should include a process that ensures that service providers are able to:
- Be flexible in order to meet individual circumstances;
 - Deliver the outcomes identified for service users in a consistent manner;
 - Be responsive to person centred planning;
 - Demonstrate high standards at reasonable costs;
 - Respond to minority needs (whether of culture, disability, gender, etc)
 - Maximise the social inclusion and independence of individuals and groups;
 - Be experienced as seamless by service users.

Commissioning Framework

- 2.10 The components of the commissioning framework are inter-related but can be as follows:
- **Needs Analysis**
Identifying the needs of individuals and/or groups through the analysis of management information, statistics, service user feedback, etc.
 - **Consultation**
Consultation will be carried out whenever considered appropriate and the process will involve consulting local people, groups, organisations and regional and national bodies where considered appropriate.
 - **Service Specification**
Having undertaken the necessary analysis and consultation an assessment of the needs of individuals and/or groups will be undertaken and plans prepared to meet those needs. The frequency, quality, level, etc of the necessary service provision will be included in service specifications which will support the plans.
 - **Service Level Agreement / Contract Management**
Service specifications will form the basis for service level agreements, where in-house service provision is in place and for formal contracts where external provision is envisaged.
 - **Performance Management**
Monitoring and controlling service provision against that specified and taking corrective action as necessary.
 - **Financial Allocation and Control**

Ensuring that the appropriate level of finance is made available and monitoring and controlling expenditure and income against budgets, taking corrective action as necessary.

- **Market Making**
Being creative and innovative to stimulate markets where they currently exist and to create new markets for service providers as appropriate.
- **Collaborative Commissioning**
Partners working together to use their knowledge, expertise and purchasing power to their best advantage.
- **Decommissioning of Services**
Planning and managing the reduction in service activity in line with commissioning objectives. This will be undertaken in consultation with providers, service users, workforce, trades unions and other stakeholders to produce an exit strategy.

Procurement Framework

- 2.11 Previously the National Procurement Strategy (NPS) set out how Councils can improve both delivery and cost effectiveness of high quality services through more efficient and innovative procurement practices. It underlined the need for all local authorities to raise the profile of procurement as a strategic tool and to demonstrate both political and officer leadership. The principles of the National Procurement Strategy are the foundation on which we have developed our Procurement Strategy.
- 2.12 The key areas highlighted in the NPS were: -
- Providing leadership and building capacity
 - Partnering and collaboration
 - Doing business electronically
 - Stimulating markets and achieving community benefits

3. COMPREHENSIVE AREA ASSESSMENT AND USE OF RESOURCES FRAMEWORK 2008/09

- 3.1 The Council will be judged on how we commission services that provide value for money and deliver outcomes for local people.
- 3.2 In order to deliver the outcomes required we need to show that the Council:
- Has a clear vision of intended outcomes for local people which shapes its commissioning and procurement, and is based on an on going analysis and understanding of needs;
 - Involves local people, partners, staff and suppliers in commissioning services;
 - Seeks to improve the customer experience, quality and value for money of services through service redesign, making effective use of IT;

- Understands the supply market and sees to influence and develop that market;
 - Evaluates different options (internal, external and jointly with partners) for procuring services and suppliers; and
 - Reviews the competitiveness of services and achieves value for money, while meeting wider social, economic and environmental objectives.
- 3.3 The Commissioning framework provides the foundation for delivery and through Business Transformation we will develop the procurement function and implement the revised Procurement Strategy to achieve the outcomes.

4. COMMISSIONING AND PROCUREMENT STRATEGY

- 4.1 The integrated Commissioning and Procurement Strategy for 2009 - 2010 is attached to this report as **Appendix 1**. The Strategy takes account of both guidance nationally and the key principles identified in the previously agreed strategy for Hartlepool.
- 4.2 The Strategy has five key objectives. These are:
- To improve the efficiency and effectiveness of the Council's procurement activity in order to achieve Best Value
 - To improve the management of procurement through the increased use of strategic procurement management information
 - To ensure continuous improvement in the Council's procurement activity
 - To use the Council's buying power to support local regeneration and economic development and drive innovation in the design, construction and delivery of service, whilst adopting best practice in complying with diversity, equality and human rights legislation
 - To ensure that the Council's procurement reflects best practice in the adoption of environmentally sustainable standards and procedures, where this is consistent with Best Value.
- 4.3 Each of the five key objectives are now supported by a series of Key Procurement Aims based on: -
- Collaborative Procurement
 - Controls, Standards and Risk
 - Efficiency and Value for Money
 - E-Procurement & Purchase Cards
 - Equality and Diversity
 - Information and Communication
 - Partnerships
 - Regeneration
 - Sustainability and Environmental Management
 - Training and Development
- 4.4 The Strategy is supported by the Council's 5 year Procurement Plan last approved by the Portfolio Holder on 19 February 2009.

5. CONSIDERATIONS

- 5.1 The Portfolio Holder is the Council's Procurement Champion and it is therefore important that updates and developments are considered at appropriate times.
- 5.2 The revised Draft has been prepared to include strategic improvement and has been the subject of consultation with the Corporate Procurement Group.
- 5.3 The Corporate Procurement Group made up of Senior Officers from all departments is now well established and will ensure that the strategy and its delivery are embedded in departments.
- 5.4 The Corporate Procurement Unit will work along side the Corporate Procurement Group to ensure the Key Aims and Objectives identified in the Strategy are achieved over the next three years.
- 5.5 The Strategy will be shared with our suppliers and partners and will be available on the Council's Website.

6. CONCLUSIONS

- 6.1 The Procurement Strategy is reviewed on an annual basis and the opportunity has now been taken to include our commissioning framework within it. In considering the coming year we will be going through a period of change, in particular, the Business Transformation Programme includes a major review of the commissioning and procurement function of the Council in order to drive out further efficiency savings. A business case on a "Centre of Procurement Excellence" will be implemented looking at commissioning and category savings, supplier selection and contract management.
- 6.2 This implementation will include the reviewing and aligning of our Commissioning Framework and our Sustainable Procurement Strategy with further reports on development being presented to the Portfolio Holder.

7. RECOMMENDATIONS

- i) That Portfolio Holder endorses the Commissioning and Procurement Strategy for 2009 - 2010.
- ii) That Portfolio Holder receives a further report on an updated Strategy once the outcomes of the procurement review within Business Transformation have been implemented.



Commissioning and Procurement Strategy 2009-2010







Contents

Contents		3
Foreword		4
Part 1	Introduction	5
	What is Commissioning and Procurement?	7
	Why do we need a Commissioning and Procurement Strategy?	7
	Structure of the Strategy	9
	Aims of the Strategy	9
	How will it be used, monitored, reviewed and amended?	10
Part 2	Commissioning and Procurement Policy	12
	The Guiding Principles	14
	Partnerships	15
	Competition	15
Part 3	Key Strategic Objectives	18
Part 4	Key Procurement Aims	22
	Collaborative Procurement	24
	Controls Standards & Risk	25
	Efficiency and Value for Money	26
	E-Procurement & Purchase Cards	27
	Equality & Diversity	28
	Information and Communication	29
	Partnerships	30
	Regeneration	31
	Sustainability and Environmental Management	32
	Training and Development	33
Contacting Us		35
Useful Websites		36



Foreword

Improving the way in which Councils across the country commission and buy goods and services is a key factor in modernising local government.

Hartlepool Borough Council is working to utilise new procedures and systems to ensure we secure the best services in a cost effective and timely way.

The benefits of taking this approach are clear:

- ❖ The Council will improve the efficiency and effectiveness of procurement activity by standardising procedures and implementing Procurement systems.
- ❖ The delivery of customer services will be supported by the best available support services and goods, at the best prices.
- ❖ Businesses will find it easier to work with the Council, and will gain access to a broader market place.

This strategy seeks to rise to the challenge of a genuinely joined-up approach to Commissioning and Procurement and we fully support the strategy on behalf of our staff, our citizens, and our local businesses.

Councillor Robbie Payne
Portfolio Holder for Finance and Efficiency and the Council's Procurement Champion.

Part 1

Introduction





Introduction

What is a Commissioning and Procurement Strategy?

Commissioning

Commissioning is the process of specifying, securing and monitoring services to meet individual and/or group needs, both in the short and long term. As such it covers not only the service procurement process but also a strategic approach to shaping markets to meet future needs.

It should include a process that ensures that service providers are able to:

- Be flexible in order to meet individual circumstances;
- Deliver the outcomes identified for service users in a consistent manner;
- Be responsive to person centred planning;
- Demonstrate high standards at reasonable costs;
- Respond to minority needs (whether of culture, disability, gender, etc)
- Maximise the social inclusion and independence of individuals and groups;
- Be experienced as seamless by service users.

Commissioning Framework

The components of the commissioning framework are inter-related but can be as follows:

- **Needs Analysis**
Identifying the needs of individuals and/or groups through the analysis of

management information, statistics, service user feedback, etc.

- **Consultation**

Consultation will be carried out whenever considered appropriate and the process will involve consulting local people, groups, organisations and regional and national bodies where considered appropriate.

- **Service Specification**

Having undertaken the necessary analysis and consultation an assessment of the needs of individuals and/or groups will be undertaken and plans prepared to meet those needs. The frequency, quality, level, etc of the necessary service provision will be included in service specifications which will support the plans.

- **Service Level Agreement / Contract Management**

Service specifications will form the basis for service level agreements, where in-house service provision is in place and for formal contracts where external provision is envisaged.

- **Performance Management**

Monitoring and controlling service provision against that specified and taking corrective action as necessary.

- **Financial Allocation and Control**
Ensuring that the appropriate level of finance is made available and

monitoring and controlling expenditure and income against budgets, taking corrective action as necessary.

- **Market Making**

Being creative and innovative to stimulate markets where they currently exist and to create new markets for service providers as appropriate.

- **Collaborative Commissioning**

Partners working together to use their knowledge, expertise and purchasing power to their best advantage.

- **Decommissioning of Services**

Planning and managing the reduction in service activity in line with commissioning objectives. This will be undertaken in consultation with providers, service users, workforce, trades unions and other stakeholders to produce an exit strategy.

Procurement

Procurement is the process that determines how to deliver or arrange for the delivery of a service. Procurement activity also determines how to acquire or arrange for the acquisition of supplies and works. The procurement strategy therefore will be the framework that will guide procurement processes and decisions in Hartlepool Borough Council in order to obtain supplies, works and the delivery of services.

The Commissioning and Procurement Strategy will form part of the management arrangements the Council has established in order to secure continuous improvement and best value

Why do we need a Strategy?

- To formalise the key messages on commissioning and procurement for staff and members
- To provide consistency and ensure best practice in the procurement process
- To assist the Council in meeting its duty to achieve best value
- To provide a source of information regarding our approach to procurement for internal and external use
- To create a climate in which all parties, internal and external, can contribute to achieving best value
- To comply with legislative government guidance and external audit requirements

National Policy - The National Procurement Strategy

The Procurement Strategy has been developed to fully comply with The National Procurement Strategy for Local Government, published by the Office of the Deputy Prime Minister in June 2004. The national strategy document covered the period 2003-2006, and aimed to illustrate how to use innovative ways to procure, work in partnership with others, and manage services that will:

- better achieve community plan objectives
- deliver consistently high quality services that meet users' needs, with a range of partners from other sectors
- provide savings and better value for money, thereby improving the cost-effectiveness of the Council
- build social cohesion and promote equality of opportunity for service users, businesses and council staff

- be sustainable for the communities and areas served and benefit local citizens
- support delivery of the Council's e-Government agenda
- enable councils to manage and assess risks in the market place
- be delivered through different structures and in new forms.

Hartlepool Borough Council will continue to use these principles in future years.

The Local Government White Paper, The Comprehensive Spending Review 2007 (CSR07) and Business Improvement.

The White Paper calls for transformation in the ways in which local authorities devise and secure the delivery of public services, including the move towards more of a commissioning role rather than the narrowly-defined approach to service delivery of the past. CSR07 has established spending limits for the public sector as a whole for the next three years and will require the Council to find significant cash savings from within existing resources to fund service requirements. CSR07 sets out cash savings targets of 3% per year which is considerably more than the previous target in which non cashable savings were included.

Business improvement in the way the Council delivers services will be key in achieving efficiency targets.

Structure of the Strategy

The Strategy (2009-2010) sets out the priorities for procurement in the Council and will play a vital part in helping us to concentrate on areas that will maintain our 'excellent' CPA rating. It draws together a number of elements, including:

- issues identified in audit reports;

- the Government's existing and developing agenda for public sector procurement;
- the need to increase public sector efficiency;
- electronic government targets;
- the strategic outcomes, or main aims, of the current Corporate Plan;
- and efficiency targets.

Aims of the strategy

The strategy is aimed at promoting effective commissioning and procurement across the whole organisation. This strategy will co-ordinate departmental plans to deliver improvement in practice as a corporate priority. The strategy makes clear reference to our Corporate Plan, and in particular, to our strategic outcomes. It strikes a balance between setting out a detailed plan for reforming procurement, with specific targets and a flexible planning framework. We need to be flexible to be able to respond to the rapidly changing environment around public sector procurement and to learn from our own experience and the experiences of others. The rapidly changing environment is well illustrated by the pace of technological change currently associated with e-procurement. The aims of this strategy are to:

- assist the Council in meeting its objectives;
- assist the Hartlepool Partnership in the implementation of the Community Strategy and contribution to the Local Area Agreement;
- secure commitment to effective and efficient procurement from Members and officers at all levels throughout the organisation;
- provide a focus for procurement, helping us to co-ordinate procurement and use resources as effectively as possible;

- plan the way forward on reforming, and continuously improving, our procurement functions;
- ensure efficient and transparent procurement processes
- contribute to the Council's medium term Financial Strategy;
- draw together the various issues currently facing public sector procurement and produce a strategy that will help us to respond positively to the Government's agenda;
- ensure probity, openness and accountability in procurement processes;
- encourage long-term thinking and commitment to strategic procurement issues;
- identify and promote the benefits of strategic procurement;
- and ensure equality and diversity are embedded into the procurement process.

- Procurement Action Plans and performance indicators as part of Service Planning
- Training and support

The Corporate Procurement Group (CPG) will review, amend and monitor the strategy in conjunction with the Corporate Management Group. The Procurement Champion (Councillor Robbie Payne, the Finance & Efficiency Portfolio Holder) is the Member champion.

How will it be used, monitored, reviewed and amended?

The strategy will be used within the process of:

- Analysing Council expenditure
- Identifying and delivering effective procurement solutions and efficiencies
- Business improvement Reviews
- Other service review mechanisms
- Reviewing existing contractual arrangements when they expire

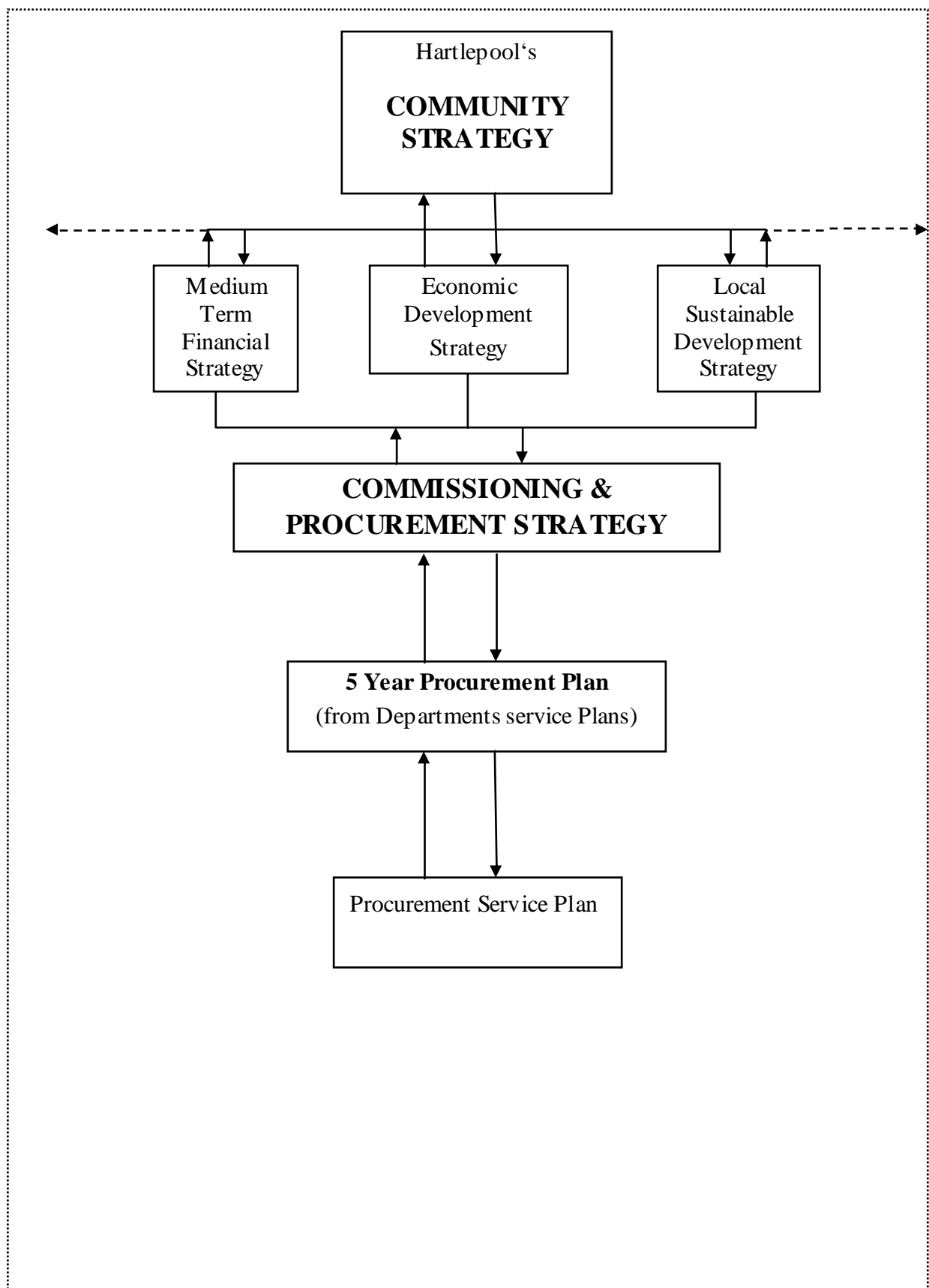
The strategy will be embedded in Departments' day-to-day activities by:-

- Information gathering
- Identifying and sharing good practice



Part 2

Commissioning and Procurement Policy





Procurement Policy

The Council's procurement strategy is aligned with the strategic aims and objectives set out in the Best Value Performance Plan, and with the other corporate and service based strategies and plans that form elements of the Council's strategic framework. Key documents in the framework that relate specifically to the procurement strategy include:

- the Community Strategy, which sets the overall strategic direction for the Council's service provision, and provides the basis from which the Council can determine its own contribution to the longer term economic, social and environmental well-being of the local community.
- the Medium Term Financial Strategy, including the Capital Strategy & Asset Management Plan which provide the framework for determining the annual budget available for the procurement of goods, works and services,
- the economic development strategy, which provides the direction for using the Council's key role as a major buyer in the local economy to support local employment and regeneration initiatives,
- the Local Sustainable Development Strategy, which provides the context for ensuring that Council procurement meets a range of sustainability aims, including the reduction of waste and pollution, and the protection of biodiversity,
- the Council's policy to support diversity and equality, which ensures that Council procurement complies with national and international equality and human rights legislation.
- the Council's implementing Electronic Government Statement

We are committed to maintaining high-quality standards and having an efficient procurement and monitoring procedure. This allows us to continue to provide best value. Using best-practice procurement techniques, we are committed to making sure that every pound we spend provides value for money, and that every pound we save is directed back into service priority areas.

All departments must keep to and promote the following principles:

The Guiding Principles

- To raise awareness of procurement.
- To ensure a customer-focussed and customer-led approach to the delivery of services.
- To ensure that the best service is available to the community regardless of who provides it.
- Commitment to a mixed economy of service provision where this will generate improvements in service.
- Be open
- Providing a level playing field to ensure that all potential providers are treated fairly.
- To ensure fair treatment for our employees.
- Encourage competition, where appropriate
- To ensure that procurement decisions comply with European, National and corporate policies, including:
 - EC Directives.
 - Local Agenda 21/ Environment Policy
 - Economic Development and Regeneration Policies

- Policies that promote social and economic well-being
- Equality – ensuring that potential suppliers and service providers have appropriate employment policies and practices, and are able to meet the Council's commitment to equality in terms of access to services, and the duty to promote equality at all stages of the procurement process.
- Contract Procedure Rules
- Corporate Safety Policy
-
- A flexible approach to partnership working, including the use of joint procurement, where appropriate, with for example, Health Authorities, construction partners.
- To ensure there is an appropriate balance between cost and quality
- To work in close partnership with all local stakeholders
- To share good practice.
- To monitor and review on a regular basis.

Service Delivery

All services must show that they:

- provide value for money;
- meet service aims;
- are committed to continuous improvement;
- work efficiently;
- have effective management, systems and procedures; and
- are committed to our policy aims.

We believe that in-house services can provide a high-quality, flexible framework for developing and providing services, but acknowledge that there are other ways to deliver services. We expect in-house providers to find an appropriate balance between being best on quality, value for

money, service and employment practices. We will support in-house providers where they offer value for money and work in the best interests of service users.

Partnerships & Collaboration

We acknowledge the importance of partnerships and collaboration with the private and voluntary sectors, with other public organisations acting locally and with the Government itself to deliver best value. Performance reviews should encourage open relationships with everyone involved or who may have something to offer — whether from within the Council, or through partnership and collaboration arrangements with the private and third sectors. We will encourage new methods of procurement that will deliver services more efficiently, effectively and economically.

Competition

The aim of our procurement policy is to improve performance by making use of competition.

Indirect competition

We will assess the competitiveness of different functions by measuring ourselves against other organisations, including Beacon councils and private and voluntary sector providers, among others. Services provided in-house will be supported and encouraged to achieve equivalent, or better, levels of performance.

Direct competition

We will consider current performance and suitability and decide whether another method of procurement is appropriate. We will award contracts to the provider offering the most economically advantageous balance of quality and cost. Where direct competition is considered appropriate and the in-house provider is competing, we will give the in-house provider the opportunity to

compete on equal terms with outside providers. We will:

- protect social values and our policy aims;
- make sure our system is open and honest;
- consult staff and their representatives;
- develop performance standards and monitoring strategies;
- properly identify and collect cost information;
- encourage new ideas; and
- clearly explain the responsibilities of everyone involved.

Services that are already the subject of direct competition will be continually reviewed against this policy, to make sure that the service is provided in the most appropriate way to deliver best value.

Based on the aims of the strategy and the guiding principles, the Council has developed a series of key strategic objectives and key procurement aims that reflect the current state of procurement within the Council, and provide a concise framework for guiding future service planning and performance improvement during the medium term (2009-2010) and for planning and implementing effective and innovative solutions.

Local Suppliers

- Our aim, whenever possible, is to use the Council's buying power to support local regeneration and economic development and drive innovation in the design, construction and delivery of service, whilst adopting best practice in complying with diversity, equality and human rights legislation.

Sustainable Procurement Strategy

- A specific Sustainable Procurement Strategy will be developed in line with the outcomes of the Government's Sustainable Procurement Task Force and its flexible Procurement Action Plan.



Part 3

Key Strategic Objectives

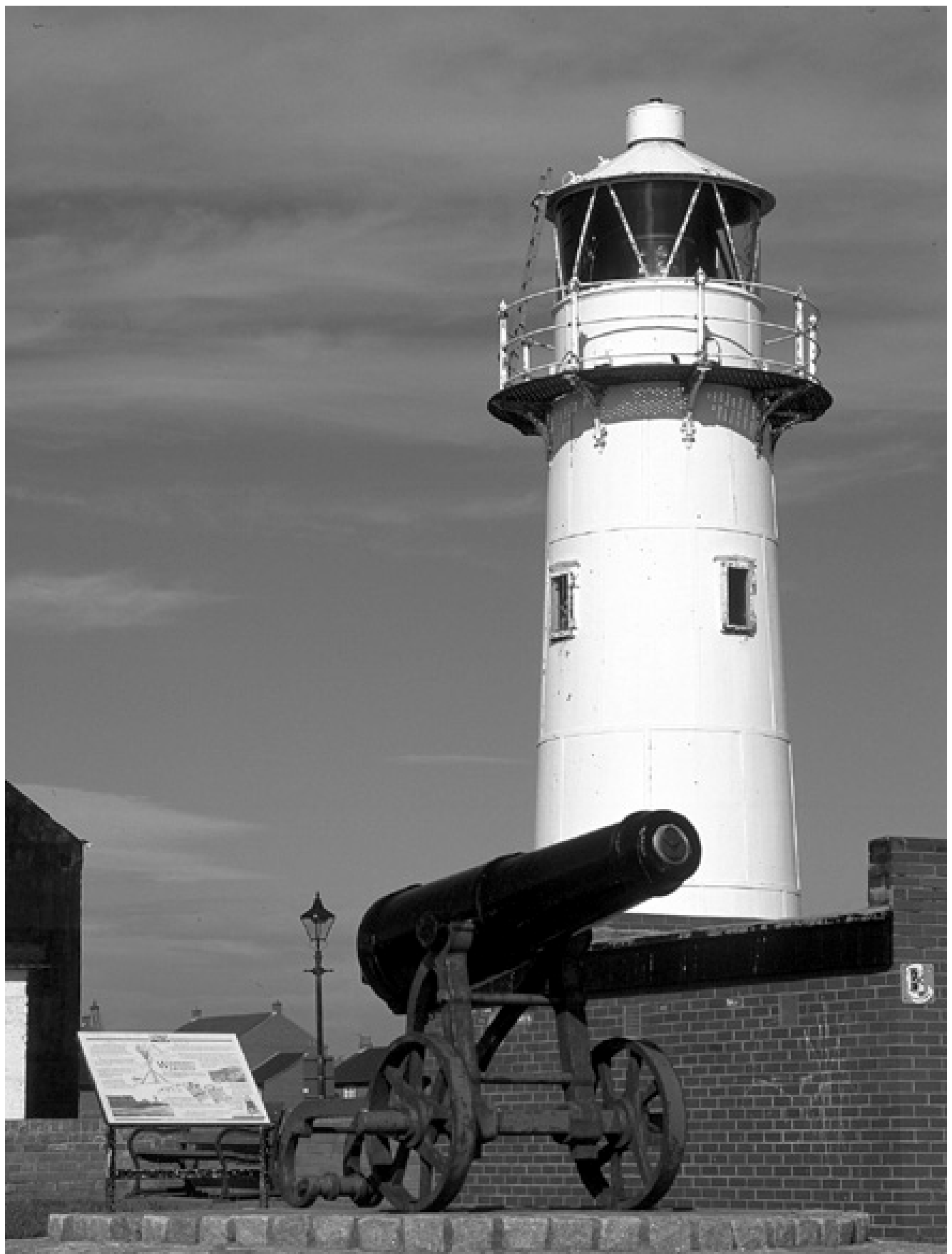


Key Strategic Procurement Objectives

KSPO1	To improve the efficiency and effectiveness of the Council's procurement activity in order to achieve Best Value
i	To provide the most effective management and planning structure for procurement within the Council
ii	To develop a procurement plan, based on the procurement strategy, setting out the Council's proposals for major procurement expenditure.
iii	To exploit the benefits of partnership and joint working with other organisations.
iv	To provide relevant procurement guidance and training for Council officers and members.
v	To incorporate best practice procedures for risk management and project management throughout the procurement process, for example through the use of Gateway Reviews.
vi	To exploit the benefits of new technologies, including e-Procurement, e-Tendering and purchasing cards to improve procurement efficiency and effectiveness
KSPO 2	To improve the management of procurement through the increased use of strategic procurement management information
i	To undertake a comprehensive analysis of existing Council procurement expenditure as a basis for developing specific priorities for performance improvement.
ii	To develop systems for regular monitoring of Council procurement expenditure.
iii	To develop procedures and processes for ensuring that procurement management decision-making becomes part of the Council's mainstream activity, at all levels of service planning.
KSPO 3	To ensure continuous improvement in the Council's procurement activity
i	To develop and adopt performance indicators that reflect the links between the Council's procurement activity and the aims and key strategic objectives of the procurement strategy.
ii	To develop annual targets for procurement performance improvement using the adopted performance indicators
iii	To ensure that the reporting of procurement performance is incorporated into all relevant service plans and strategic documents produced by the Council.
iv	To ensure that the lessons learnt, and problems experienced during the undertaking of major contracts or procurements are recorded and disseminated to relevant officers and members of the Council.

KSPO 4	To use the Council's buying power to support local regeneration and economic development and drive innovation in the design , construction and delivery of service, whilst adopting best practice in complying with diversity, equality and human rights legislation
i	To ensure that employees, service users and clients, the general public, or anyone involved in the delivery of Council services, are not subject to risks or hazards covered by the Health and Safety at Work Act.
ii	To support the growth and development of local small and medium sized enterprises (SMEs) through the Council's procurement activity
iii	To work with the market to deliver value for local taxpayers
iv	To support the growth and development of local voluntary and community organisations in order to build their capacity to win and retain Council procurement contracts.
v	To ensure that all Council suppliers comply with best practice, Council policy and relevant legislation covering Equality, Diversity and Human Rights.
vi	To ensure that the Council sustains its commitment to being a "good employer", supporting a high quality, well-motivated workforce that is kept informed about any major improvement involving potential staff transfers, or reductions.

KSPO 5	To ensure that the Council's procurement reflects best practice in the adoption of environmentally sustainable standards and procedures, where this is consistent with Best Value
i	To ensure that goods and services procured by the Council result in minimum waste, minimum pollution, and minimum impact on the environment and biodiversity.
ii	To ensure that all new built development undertaken by the Council, and the maintenance of existing buildings and outdoor spaces , takes account of environmentally responsible standards, whole life costing, and Agenda 21 issues.
iii	To ensure that sustainability is considered at all stages of the procurement cycle, including the identification of a business case, drafting of specifications, contract award criteria, and contract management.



Part 4

Key Procurement Aims



Key Procurement Aims

We have identified a number of aims under the following headings that intrinsically link in with the 5 Key Strategic Procurement Objectives. These are:-

	KSP01	KSP02	KSP03	KSP04	KSP05
Collaborative Procurement	√	√			
Controls, Standards and Risk	√	√	√		
Efficiency and Value for Money	√	√			
E-Procurement & Purchase Cards	√	√			
Equality and Diversity				√	
Information and Communication	√	√	√	√	
Partnerships	√	√			
Regeneration	√			√	
Sustainability and Environmental Management					√
Training and Development	√	√	√	√	√



Collaboration Procurement

The Government has identified collaboration (joint working) as an important aspect of effective and efficient procurement. Collaboration may be within the public sector or it may be between ourselves and external suppliers. Our work locally, sub-regionally and regionally will provide opportunities to develop collaborative procurement.

Main Aim

To improve the efficiency and effectiveness of services by working with a range of organisations to develop long-term relationships.

Current Position	Issues	Actions
<p>We are a member of a number of regional and sub-regional public and private sector groups that exist to share best practice and work on issues of mutual interest.</p> <p>We take part in local and national consortium arrangements.</p> <p>We have a track record of working with other public sector organisations,</p>	<p>Politics and systems affect each council's involvement in joint working.</p> <p>Risk assessment varies between councils and affects the level of their involvement in collaborative procurement.</p> <p>Legal and financial issues are approached differently by each council and affect the practicalities of joint working arrangements.</p>	<p>We will identify savings we could make through a variety of collaborative procurement routes.</p> <p>We will adopt partner arrangements that will support the Council in achieving the targets set out in the efficiency review.</p> <p>We will work with the Office of Government Commerce Tees Valley Authorities, the Regional Improvement and Efficiency Partnership and other organisations to identify more opportunities for joint working.</p>



Controls, Standards and Risk

There are a number of restrictions relating to public sector procurement. Councils have a duty to their taxpayers to apply controls and consistent standards across the Council to provide value for money.

Main Aim

To ensure that suitable controls are in place to maintain consistent high standards and make sure that risk is managed.

Current Position	Issues	Actions
<p>The main controls and standards that relate to procurement, currently include:</p> <ul style="list-style-type: none"> - The Constitution - Contracts Procedure Rules - Procurement strategy - Procurement documents and guidance - European Union Directives and national regulations - Cross Departmental Officer Groups e.g. CPG and subgroups) 	<p>We need to make sure that we keep up to date with relevant changes.</p> <p>Our clients and suppliers need clear information on controls and standards.</p> <p>Controls and standards must allow a flexible approach to procurement.</p> <p>Controls and standards need to be regularly reviewed, based on experience gained</p>	<p>Corporate Procurement Group will review Contract Procedure Rules and report the review to Members.</p> <p>We will work with departments to make sure that controls and standards are streamlined, secure value for money and do not prevent new ideas.</p> <p>We will make sure there is greater co-ordination of skills across the Council by introducing corporate standard documents.</p>



Efficiency and Value for Money

The Government's Spending Review statement set local authorities a target for efficiency gains of 2.5% a year for three years (2005-2008). At least 50% of the efficiency gains should be 'cashable' so that they can be redirected to improve front-line services. Improved procurement is seen as a major influence on a council's ability to achieve its efficiency targets. The Comprehensive Spending Review 2007 has set 3% around cashable efficiency targets.

Main Aim

We will use innovation and best practice, including the appropriate use of new technology and improved business processes, to achieve quality and efficiency benefits.

Current Position	Issues	Actions
There has been a significant shift away from 'lowest cost' tendering so that quality considerations are now included as part of the assessment process.	It is much easier to identify efficiency savings than it is to actually achieve those savings.	We will develop and promote guidance to departments on achieving efficiency through improved procurement.
The 'savings' from Procurement are identified as part of the efficiency savings in the Annual Efficiency Statement.	The benefits identified need to be measured and included in our procurement processes.	We will continue to use a mix of partnerships, collaborators contracts (price only, quality/price) to deliver maximum benefits.
A programme of Corporate Procurement Projects are delivering savings.	We need to improve the level and detail of procurement management information to identify and monitor efficiency savings effectively.	We will continue to make the required level of procurement efficiency savings over the next three years.
The Business Transformation Programme has been approved by the Council.	Non-transactional services will be reviewed and this will include a business case for a procurement function to deliver further savings.	We will complete our Spend analysis Project to identify opportunities for savings using a category management approach.
		A procurement "Centre of Excellence" will be formed.



Electronic Procurement and Purchase Cards

Electronic procurement (e-procurement) is essentially 'doing business' electronically. E-procurement improves aspects of communication in the procurement process and reduces some of the costs associated with it.

Main Aim

To make the best use of information and communications technology to improve efficiency & effectiveness, and to reduce the cost of the procurement process for the Council and its suppliers, and to encourage suppliers to adopt e-procurement methods.

Current Position	Issues	Actions
Procurement information on our intranet and website is now well developed.	Departmental and supplier ability to use e-procurement technology is inconsistent.	We will develop a user-friendly database of corporate contract information available to all departments.
Purchasing cards have been successfully introduced into some departments.	There are different rates of progress, processes and priorities of partner councils and suppliers.	We will assess and develop appropriate e-procurement solutions, including e-tenders and e-auctions.
The approved list of contractors application form is available on-line and can be processed electronically.	The need for a regional, internet-based 'supplier and contract management system' is an area for development (via NEPO).	We will develop electronic orders and invoices, to reduce paperwork in the procurement process.
A new Financial Management System (FMS) has been introduced.	The new FMS e-series is now being implemented.	We will continue to introduce e-payment solutions such as purchasing cards, BACS and direct debit across the Council.
Use of BACS and direct debits are increasing.		Tenders will be published on the Supply2.gov.uk website.



Equality and Diversity

We can use our influence to promote a positive approach to equality and diversity. In our procurement processes, we will try to make sure that we give our suppliers advice on equality issues and make sure that contracts promote equality and diversity.

Main Aim

To promote procurement practices and policies which contribute to our priorities on equality and diversity by providing information on equality issues and making sure we treat all tenders equally.

Current Position	Issues	Actions
Standard questions on equality are included in the Approved List application form and PQQ.	There are difficulties in extending our agenda on equality and diversity to suppliers.	We will contribute to the Council's work on Equality Standards for Local Government.
A standard contract clause is included in contract terms and conditions.	We need to make sure that information about equality and diversity in procurement is provided across the Council.	We will contribute towards developing the Council's Equality and Diversity Strategy.
Contract documents meet the latest Equality and Diversity Regulations and Acts and information about this has been delivered to departments through workshops.		We will monitor equality within our suppliers organisations on a risk basis.



Information and Communication

Managing information efficiently is crucial to providing an effective and responsive service. Communication is an important part of managing information and makes sure that accurate and appropriate information is easily available between the Procurement Unit and client departments.

Main Aim

To provide and encourage access to high-quality information about procurement for client departments.

Current Position	Issues	Actions
<p>The intranet site has been developed to include detailed guidance to 'simple' procurement processes.</p> <p>The internet site is maintained by the Procurement Unit and information is provided in an electronic format, where possible.</p> <p>Newsletters are produced regularly to keep staff informed of recent developments.</p> <p>The Procurement Unit produces guidance on a range of topics for internal and supplier use.</p>	<p>The Procurement Unit needs to be involved early in procurement.</p> <p>The Procurement Unit is not involved in departmental and all strategic decision-making.</p> <p>It is difficult to get accurate procurement management information. In particular, it is difficult to collect information on who places orders, and how much we spend on a given service.</p>	<p>The Procurement Unit will provide guidance on the intranet for the more complicated procurement process.</p> <p>The Corporate Procurement Group will produce a list of officers with significant procurement responsibilities so we can share information.</p> <p>The Corporate Procurement Group will continue to review operational procurement in departments and develop methods for collecting and receiving information.</p> <p>Spend Analysis will provide visibility across the Council.</p>



Partnerships

We are committed to working with our partners and identifying new partnering opportunities.

Main Aim

To develop a partnering approach between the Council and suppliers to create mutually advantageous, flexible and long-term relations based on continuous improvement.

Current Position	Issues	Actions
<p>The Council's already enters into the partnering approach in Information Technology and Construction (ICT).</p> <p>There has been some growth in partnerships in delivering supplies, services and capital projects.</p> <p>The Council has a strategic partnership for building maintenance and planned works.</p> <p>We have several commissioning partnerships across Children's and Adult Services.</p>	<p>We need a consistent approach to reviewing services and options, and for partnering opportunities.</p> <p>We need to make improvements for effective contract management to achieve the aims of partnership-working.</p> <p>BSF and PCP need to be delivered.</p> <p>There must be more clarity about how cost and quality will be measured so we can make a full assessment of success or failure.</p>	<p>We will regularly review our existing partnership arrangements to influence future partnership projects.</p> <p>We will measure and report on the costs and benefits of the partnering contracts currently in place.</p> <p>We will take a lead role in procuring the BSF and ICT management service, the BSF Design and Build contractor and PCP works.</p> <p>The Corporate Procurement Group will increase their involvement in departmental efficiency reviews to identify opportunities for partnership arrangements.</p>

--	--	--



Regeneration

Working with small and medium-sized enterprises (SMEs), social enterprises (SEs), voluntary and community sector suppliers, local suppliers, and black & ethnic-minority suppliers in the Council's procurement process will support the Council's local regeneration strategy, benefit the community and contribute to economic development

Main Aim

To support local regeneration and redevelopment by providing high-quality information and encouraging a varied supply market.

Current Position	Issues	Actions
<p>The Council has signed up to the SME Concordat</p> <p>The Council supports small and local suppliers by:</p> <ul style="list-style-type: none"> - publishing documents in clear English; - holding workshops, seminars and events with business support agencies; and - publishing tender opportunities on the internet. <p>The Council encourages a varied and competitive supply market.</p>	<p>Councils are limited in their ability to favour local and small business.</p> <p>Procurements of a lower value are not widely advertised.</p> <p>It may be difficult for social enterprises, voluntary and Community sector suppliers and others to meet Council requirements relating to procurement.</p> <p>It can be difficult to make sure that joint working across the region supports small and local suppliers.</p>	<p>We will work with varied and local suppliers, and support them in working with the Council.</p> <p>We will introduce Targeted Training requirements into relevant procurements and development agreements.</p> <p>We will encourage our suppliers to use small firms and local labour.</p> <p>We will review Council spending to identify opportunities for supported business.</p> <p>We will be involved in the development of the Council's strategy for working with the voluntary and community sector.</p>



Sustainability and Environmental Management

Our procurement activities, and those of our suppliers, affect the local environment and have an influence on whether we achieve our sustainable and environmental aims.

Main Aim

To reduce the negative effect on the environment of the products and services that we buy, we will achieve this by considering the effect of our decisions and by working with suppliers to make sure they have a similar commitment.

Current Position	Issues	Actions
<p>We meet our council-wide environmental standards.</p> <p>We ask suppliers whether they meet environmental regulations, and have environmental policies.</p> <p>A number of schemes support the buying of environmentally friendly products.</p>	<p>The pressure to provide 'more for less' may be a disincentive to buy environmentally friendly products.</p> <p>There is a view that environmentally friendly products may be more costly, or of inferior quality.</p> <p>Departments and suppliers are not always committed to sustainable procurement.</p> <p>It can be difficult to monitor the long-term effects of our procurement practices.</p>	<p>We will work with the Regional Improvement and Efficiency Partnership to develop a regional approach.</p> <p>We will make sure that sustainability is built into procurement processes and contracts</p> <p>We will contribute to the climate change agenda.</p> <p>We will produce and adopt a Sustainable Procurement Strategy.</p>



Training and Development

The key to effective public sector procurement is officers who are suitably trained and qualified to provide the necessary professional input. The level of expertise needed ranges from a formal procurement qualification and wide experience, to knowledge of basic procurement techniques.

Main Aim

To make sure there is a structured approach to education, training and development for all officers with procurement responsibilities across the Council.

Current Position	Issues	Actions
A procurement training and development plan has been produced.	We need to ensure that staff are suitably qualified / trained to do their jobs.	We will develop a programme of procurement training.
The Procurement Unit provides training across the Council on procurement procedures.	The high numbers of staff involved in procurement across the Council could result in high costs for providing training.	We will continue to include procurement in corporate training.
All senior officers have been included in the Council's Leadership and Development Programme.	The procurement-related knowledge, skills and experience of officers with procurement responsibilities vary across the Council.	All officers carrying out procurement projects are encouraged to study for a nationally recognised procurement qualification.





Contacting Us

Please contact us if you have any questions or comments about the strategy.

E-mail:

Graham.frankland@hartlepool.gov.uk

Fax:

Procurement Unit

01429 523899

Phone:

Graham Frankland

01429 523211

Graham Frankland

Head of Procurement, Property & Public Protection

Neighbourhood Services Department

Hartlepool Borough Council

Civic Centre

Level 3

Hartlepool

TS24 8AY

For more copies contact any of the above

Website:

www.hartlepool.gov.uk

Write to:

Please phone 01429 523333 if you would like this document in Braille, in large print or on audio tape.

If you would like this document in another language or format, or if you require the services of an interpreter, Please contact us. ☎ 01429 523333

यह दस्तावेज़ यदि आपको किसी अन्य भाषा या अन्य रूप में चाहिये, या आपको आनुवाद-सेवाओं की आवश्यकता हो तो हमसे संपर्क करें

یہ دستاویز اگر آپ کو کسی دیگر زبان یا دیگر شکل میں درکار ہو، یا اگر آپ کو ترجمان کی خدمات چاہئیں تو برائے مہربانی ہم سے رابطہ کیجئے۔

যদি আপনি এই ডকুমেন্ট অন্য ভাষায় বা ফরমেটে চান অথবা যদি আপনার একজন ইন্টারপ্রেটারের প্রয়োজন হয়, তাহলে দয়া করে আমাদের সাথে যোগাযোগ করুন।

本文件可以翻译为另一语文版本，或制作成另一格式，如有此需要，或需要传译员的协助，请与我们联系。

ئەگەر دەستەبەندی ئێم بەلگەبەت بە زمانێکی کە یا بە فۆرمێکی کە هەیە، یا پێویستت بە مۆلەرچیم هەبە، تکایە پێیوه‌ندیمان پێوه بکە

Bu belgenin Türkçe'sini edinmek ya da Türkçe bilen birisinin size yardımcı olmasını istiyorsanız, bize başvurabilirsiniz.

☎ 01429 523333



Useful websites

- Audit Commission
www.audit-commission.gov.uk
- Comprehensive Performance Assessment (CPA)
www.audit-commission.gov.uk/cpa
- Improvement and Development Agency (IDeA)
www.idea.gov.uk
- Local Government Association (LGA)
www.lga.gov.uk

Local E-Government National Projects

- www.nepp.org.uk
- North Easter Purchasing Organisation (NEPO)
www.nepoportal.org
- Office of the Deputy Prime Minister (ODPM)
www.odpm.gov.uk
- Office of Government Commerce (OGC)
www.ogc.gov.uk
- Regional Centre of Excellence
www.rcoe.gov.uk

FINANCE AND EFFICIENCY PORTFOLIO

Report to Portfolio Holder

26th March, 2009



Report of: Chief Financial Officer

Subject: ASSISTED CAR PURCHASE SCHEME

SUMMARY

1. PURPOSE OF REPORT

- 1.1 To enable the Portfolio Holder to consider proposed changes for determining the interest rate payable on loans granted through the Council's Assisted Car Purchase Scheme.

2. SUMMARY OF CONTENTS

- 2.1 The Council operates an Assisted Car Purchase Scheme for employees. The basis for determining the interest rate applied to the scheme was last reviewed in September, 2006. It is therefore appropriate to review this basis to ensure the scheme remains relevant in light of changing interest rates and the availability of other forms of car financing. The report therefore proposes a new basis for determining interest rates for the Council's scheme.

3. RELEVANCE TO PORTFOLIO MEMBER

- 3.1 Portfolio Holder has responsibility for determining administrative arrangements in relation to the scheme.

4. TYPE OF DECISION

- 4.1 None Key.

5. DECISION MAKING ROUTE

- 5.1 Portfolio Holder 26th March, 2009.

6. DECISION(S) REQUIRED

6.1 It is recommended that: -

- i) the that the Portfolio holder approves the principle that for the next three years the interest rate for the Assisted Car Purchase Scheme should be set at the higher of either:
 - a) the PWLB five year interest rate at 1st March, each year plus 1%, or
 - b) the HM Revenue and Customs “official rate”
- ii) authority be delegated to the Chief Financial Officer to apply the above principle each year, or more frequently if the “official rate” changes.

Report of: Chief Financial Officer

Subject: ASSISTED CAR PURCHASE SCHEME

1. PURPOSE OF REPORT

- 1.1 To enable the Portfolio Holder to consider proposed changes for determining the interest rate payable on loans granted through the Council's Assisted Car Purchase Scheme.

2. BACKGROUND

- 2.1 The Council operates an Assisted Car Purchase Scheme for employees. The basis for determining the interest rate applied to the scheme was last reviewed in September, 2006.
- 2.2 At that time it was determined that the interest rate for the scheme be based on a 1% plusage to the Public Works Loan Board (PWLB) five year rate applying at 1st March each year. The rate initially determined was competitive with prevailing market rates and enabled the Authority to achieve a surplus from operating the scheme.

3. REVIEW OF INTEREST RATE

- 3.1 Since the interest rate was reviewed in September, 2006, there has been a significant reduction in PWLB interest rates as a result of the credit crunch. It is anticipated that these reductions will mean that the interest rate on the Council's Assisted Car Purchase Scheme will fall below the HM Revenue and Customs "official rate".
- 3.2 This would mean that employees would be liable for tax on the difference between the "official rate" and the Council's proposed interest rate. There will also be an additional administrative workload arising from the calculation of tax liabilities for individual employees.
- 3.3 In order to overcome this situation it is suggested that from 1st April, 2009, the interest rate for the Assisted Car Purchase Scheme should be set at the higher of either:
- i) the PWLB five year interest rate at 1st March each year, plus 1%, or
 - ii) the HM Revenue and Customs "official rate".
- 3.4 In practice it is anticipated that for the foreseeable future the interest rate on the Assisted Car Purchase Scheme will be set at the "official

rate” as there is generally a time delay between real interest rate reductions and changes to the “official rate”. This will marginally increase the surplus from operating the scheme.

4. RECOMMENDATIONS

4.1 It is recommended that: -

- i) the that the Portfolio holder approves the principle that for the next three years the interest rate for the Assisted Car Purchase Scheme should be set at the higher of either:
 - c) the PWLB five year interest rate at 1st March, each year plus 1%, or
 - d) the HM Revenue and Customs “official rate”
- ii) authority be delegated to the Chief Financial Officer to apply the above principle each year, or more frequently if the “official rate” changes.

FINANCE & EFFICIENCY PORTFOLIO

Report to Portfolio Holder

26th March 2009



Report of: Chief Financial Officer

Subject: IRRECOVERABLE DEBTS – HOUSING
BENEFIT OVERPAYMENTS

SUMMARY

1.0 PURPOSE OF REPORT

- 1.1 To seek the Portfolio Holder's approval to write-out a number of Housing Benefit Overpayments, which are now considered to be irrecoverable.

2.0 SUMMARY OF CONTENTS

- 2.1 The report highlights Housing Benefit Overpayment accounts with outstanding debts of £1000 or more and details the reasons why each debt is deemed to appropriate for write out.

3.0 RELEVANCE TO PORTFOLIO MEMBER

- 3.1 Under the Council's current financial procedures, debts of £1000 or more can only be authorised for write-out by the relevant Portfolio Holder.

4.0 TYPE OF DECISION

- 4.1 The decision is considered to be a non-key decision.

5.0 DECISION MAKING ROUTE

- 5.1 The Finance and Efficiency Portfolio Holder only.

6.0 DECISION(S) REQUIRED

- 6.1 That the Portfolio Holder approves the write-out of the attached Housing Benefit Overpayments for the reasons detailed.

Report of: Chief Financial Officer

Subject: IRRECOVERABLE DEBTS – HOUSING
BENEFITS OVERPAYMENTS

1. PURPOSE OF REPORT

- 1.1 To seek the Portfolio Holder's approval to write-out a number of Housing Benefit Overpayments, which are now considered to be irrecoverable.

2. BACKGROUND

- 2.1 The Council's financial procedure rules provide that any debt due to the Council of £1000 or more can only be written-out with the express permission of the Portfolio Holder.
- 2.2 Overpayments of housing benefit are given the nature of the financial circumstances of claimants often difficult to recover. Where an overpayment has occurred and the individual continues to be in receipt of benefit, a weekly deduction is made from their ongoing benefit entitlement at source. However, for those claimants no longer in receipt of benefit, an invoice is issued for the overpayment and debt recovery protocols are actioned. Recovering such debt can take a number of years which adds to the risk of ultimate non collection.
- 2.3 The Council's performance in terms of recovery of benefit overpayments compares well with other Councils. In 2007/8, the Council collected 44.4% of the total value of Benefit overpayments outstanding that were brought forward from previous years plus the new benefit overpayments that occurred in 2007/8.
- 2.4 Whilst every effort is made to collect benefit overpayment debts, certain debts become irrecoverable, and this report seeks the Portfolio Holder's agreement for their write-out.

3. FINANCIAL IMPLICATIONS

The appendices attached to this report detail the individual Housing Benefit and Council Tax Benefit Overpayment debts over £1000, and the reasons why each debt is considered appropriate for write out. These appendices cover a variety of scenarios, Debtor Absconded, Miscellaneous, Not recoverable under Legislation, Deceased. **These appendices contain exempt information under Schedule 12A Local Government Act 1972, namely information relating to the**

financial or business affairs of a particular person (other than the Council)(para 7).

- 3.2 All debts submitted for write-out from the accounting records have been comprehensively scrutinised by my officers. However further monitoring and recovery work will continue where possible and individual debts will be reinstated if payment is eventually received or further developments indicate a debt to later become recoverable.

4. RECOMMENDATIONS

- 4.1 That the Portfolio Holder agrees to write-out debts to the value of £51,000.53 in respect of irrecoverable Housing Benefit Overpayments.

FINANCE & EFFICIENCY PORTFOLIO

Report to Cllr. R. Payne

26th March 2009



Report of: Chief Financial Officer

Subject: IRRECOVERABLE DEBTS – SUNDRY
INVOICES

SUMMARY

1.0 PURPOSE OF REPORT

- 1.1 To seek the Portfolio Holder's approval to write-out a number of Sundry Invoices, which are now considered to be irrecoverable.

2.0 SUMMARY OF CONTENTS

- 2.1 The report highlights Sundry Invoices with balances of £1000 or more and details the reasons for each invoice remaining unrecovered.

3.0 RELEVANCE TO PORTFOLIO MEMBER

- 3.1 Under the Council's current financial procedures, debts of £1000 or more can only be authorised for write-out by the relevant Portfolio Holder.

4.0 TYPE OF DECISION

- 4.1 The decision is considered to be a non-key decision.

5.0 DECISION MAKING ROUTE

- 5.1 The Finance Portfolio Holder only.

6.0 DECISION(S) REQUIRED

- 6.1 That the Portfolio Holder approves the write-out of the attached Sundry Invoices for the reasons detailed.

Report of: Chief Financial Officer

Subject: IRRECOVERABLE DEBTS – SUNDRY
INVOICES

1. PURPOSE OF REPORT

- 1.1 To seek the Portfolio Holder's approval to write-out a number of Sundry Invoices, which are now considered to be irrecoverable.

2. BACKGROUND

- 2.1 The Council's financial procedure rules provide that any debt due to the Council of £1000 or more can only be written-out with the express permission of the Portfolio Holder.
- 2.2 Whilst every effort is made to collect debts due to the Council, certain debts become irrecoverable, and this report seeks the Portfolio Holder's agreement for their write-out.
- 2.3 It is important to note that the Revenues & Benefits Teams are proactive in encouraging the public to report cases of suspected fraud to the Council. If the forwarding address of an absconded debtor becomes apparent during the course of such investigations, the invoice would be reinstated on to the system and enforcement action would recommence.
- 2.4 If payment is eventually received in respect of the individual invoices, the invoice will again be reinstated on the Integra Debtors system.

3. FINANCIAL IMPLICATIONS

The appendix attached to this report details the individual Sundry Invoices over £1000, and the reasons why each invoice remains unrecovered:

Appendix A – Sundry Debtor Invoices *

* These items contain exempt information under Schedule 12A Local Government Act 1972, namely information relating to the financial or business affairs of a particular person (other than the Council)(para 7).

- 3.3 All debts submitted for write-out from the accounting records have been comprehensively scrutinised by my officers.

4. RECOMMENDATIONS

- 4.1 That the Portfolio Holder agrees to write-out debts to the value of £24,974.69 in respect of irrecoverable Sundry Debtor Invoices.

FINANCE & EFFICIENCY PORTFOLIO

Report to Portfolio Holder

26th March 2009



Report of: Chief Financial Officer

Subject: IRRECOVERABLE DEBTS – BUSINESS RATES

SUMMARY

1.0 PURPOSE OF REPORT

- 1.1 To seek the Portfolio Holder's approval to write-out a number of Business Rates debts, which are now considered to be irrecoverable.

2.0 SUMMARY OF CONTENTS

- 2.1 The report highlights Business Rates accounts with outstanding debts of £1000 or more and details the reasons for each debt remaining unrecovered.

3.0 RELEVANCE TO PORTFOLIO MEMBER

- 3.1 Under the Council's current financial procedures, debts of £1000 or more can only be authorised for write-out by the relevant Portfolio Holder.

4.0 TYPE OF DECISION

- 4.1 The decision is considered to be a non-key decision.

5.0 DECISION MAKING ROUTE

- 5.1 The Finance Portfolio Holder only.

6.0 DECISION(S) REQUIRED

- 6.1 That the Portfolio Holder approves the write-out of the attached Business Rates accounts for the reasons detailed.

Report of: Chief Financial Officer

Subject: IRRECOVERABLE DEBTS – BUSINESS RATES

1. PURPOSE OF REPORT

- 1.1 To seek the Portfolio Holder's approval to write-out a number of Business Rates accounts, which are now considered to be irrecoverable.

2. BACKGROUND

- 2.1 The Council's financial procedure rules provide that any debt due to the Council of £1000 or more can only be written-out with the express permission of the Portfolio Holder.
- 2.2 Whilst every effort is made to collect debts due to the Council, certain debts become irrecoverable, and this report seeks the Portfolio Holder's agreement for their write-out.
- 2.3 It is important to note that if the forwarding address of an absconded debtor becomes apparent at a later date, the business rate debt would be reinstated on to the system, and enforcement action would recommence.
- 2.4 Also, if payment is eventually received against the individual debts, by way of a claim submitted in liquidation proceedings, the debt will be reinstated on the business rate system.
- 2.5 In terms of the total collectable debit, the amount written out each year by HBC equates to 0.2%.

3. FINANCIAL IMPLICATIONS

The appendices attached to this report detail the individual Business Rates debts over £1000, and the reasons why each debt remains unrecovered:

Appendix A – Business Rates : Limited Companies

Appendix B – Business Rates : Sole Traders / Partnerships *

* These items contain exempt information under Schedule 12A Local Government Act 1972, namely information relating to the financial or business affairs of a particular person (other than the Council)(para 7).

- 3.3 All debts submitted for write-out from the accounting records have been comprehensively scrutinised by my officers.

4. RECOMMENDATIONS

- 4.1 That the Portfolio Holder agrees to write-out debts to the value of £420,728.37 (including £2037.19 costs) in respect of irrecoverable Business Rates.

FINANCE & EFFICIENCY PORTFOLIO
Report to Finance and Efficiency Portfolio Holder
26th March 2009



Report of: Chief Financial Officer

Subject: IRRECOVERABLE DEBTS – COUNCIL TAX

SUMMARY

1.0 PURPOSE OF REPORT

- 1.1 To seek the Portfolio Holder's approval to write-out a number of Council Tax debts, which are now considered to be irrecoverable.

2.0 SUMMARY OF CONTENTS

- 2.1 The report highlights Council Tax accounts with outstanding debts of £1000 or more and details the reasons for each debt remaining unrecovered.

3.0 RELEVANCE TO PORTFOLIO MEMBER

- 3.1 Under the Council's current financial procedures, debts of £1000 or more can only be authorised for write-out by the relevant Portfolio Holder.

4.0 TYPE OF DECISION

- 4.1 The decision is considered to be a non-key decision.

5.0 DECISION MAKING ROUTE

- 5.1 The Finance Portfolio Holder only.

6.0 DECISION(S) REQUIRED

- 6.1 That the Portfolio Holder approves the write-out of the attached Council Tax Accounts for the reasons detailed.

Report of: Chief Financial Officer

Subject: IRRECOVERABLE DEBTS – COUNCIL TAX

1. PURPOSE OF REPORT

- 1.1 To seek the Portfolio Holder's approval to write-out a number of Council Tax debts, which are now considered to be irrecoverable.

2. BACKGROUND

- 2.1 The Council's financial procedure rules provide that any debt due to the Council of £1000 or more can only be written-out with the express permission of the Portfolio Holder.
- 2.2 Whilst every effort is made to collect debts due to the Council, certain debts become irrecoverable, and this report seeks the Portfolio Holder's agreement for their write-out.
- 2.3 It is important to note that the Revenues & Benefits Teams are proactive in encouraging the public to report cases of suspected fraud to the Council. If the forwarding address of an absconded debtor becomes apparent during the course of such investigations, the council tax debt would be reinstated on to the system, and enforcement action would recommence.
- 2.4 If payment is eventually received in respect of the individual debts, the debt will again be reinstated on the council tax system.
- 2.5 In terms of the total Council Tax debit to be collected, the amount written out each year by HBC equates to 0.2%, the average nationally being 0.8%.

3. FINANCIAL IMPLICATIONS

The appendices attached to this report detail the individual Council Tax debts over £1000, and the reasons why each debt remains unrecovered:

Appendix A - Council Tax: No trace / absconds*
Appendix B - Bankruptcies*
Appendix C - Liquidations
Appendix D - Deceased*
Appendix E – Miscellaneous*

*** These items contain exempt information under Schedule 12A Local Government Act 1972, namely information relating to the financial or business affairs of a particular person (other than the Council)(para 3).**

- 3.3 All debts submitted for write-out from the accounting records have been comprehensively scrutinised by my officers.

4. RECOMMENDATIONS

- 4.1 That the Portfolio Holder agrees to write-out debts to the value of £37,900.22 (plus costs of £2886.69) in respect of irrecoverable Council Tax.

FINANCE PORTFOLIO
Report to Portfolio Holder
26 March 2009



Report of: Chief Personnel Officer

Subject: LOCAL LAND CHARGE SEARCH AND PROPERTY
SEARCH FEES

SUMMARY

1. PURPOSE OF REPORT

To seek approval to set the new fees to be charged for access to property data and to review and agree the scale of fees for Local Land Charge Searches.

2. SUMMARY OF CONTENTS

The Local Authorities (England) (Charges for Property Searches) Regulations 2008 came into force in December 2008 and allows local authorities to charge for supplying property information to personal search agents and others. This report contains details of the methodology used to calculate the property search fee and also includes the revised fees to be charged for local land charge searches.

3. RELEVANCE TO PORTFOLIO MEMBER

Portfolio has responsibility for agreeing fees.

4. TYPE OF DECISION

Non-key decision

5. DECISION MAKING ROUTE

Finance Portfolio holder meeting of 26 March 2009

6. DECISION(S) REQUIRED

With effect from 6 April 2009 the fees for

- a) Access to property information be implemented as per **Appendix A**
- b) Official local land charge searches be implemented as per **Appendix B**

Report of: Chief Personnel Officer

Subject: LOCAL LAND CHARGE SEARCH AND
PROPERTY SEARCH FEES

1. PURPOSE OF REPORT

To seek approval to set the new fees to be charged by the Local Land Charges section for access to property data and to agree the revised fees for local land charge searches.

2. BACKGROUND

- 2.1 Legislation was introduced in 2007 to ensure that local authorities set fees on the basis of the cost of provision. Local authorities are not allowed to make a profit from charges. Guidance on fee setting was issued by the Department for Constitutional Affairs early in 2007 but the guidance did not prescribe a methodology to be followed. It recommended that authorities should calculate the cost of providing the services and then work out the unit cost of those services. As a result local authorities nationally have been revising their charges and for the most part reducing them.
- 2.2 In addition, the government indicated that all information used to compile a local land charge search should be made available to personal search companies and others. This included what is referred to as 'unrefined data' ie paper records that are not usually available outside of the Council. Further guidance was to be issued particularly in relation to the charges that could be made for accessing the data.
- 2.3 New regulations, "*The Local Authorities (England) (Charges for Property Searches) Regulations 2008*" were made on 16 December and came into force on 23 December 2008. The regulations enable the Council to charge for providing access to property records.
- 2.5 The Local Land Charges Register is not included in the definition of property records for these purposes and so the existing legislation will continue to apply to determine what charges may be made for providing access to the Register.
- 2.6 Local Land Charges income has fallen significantly over the last 2 years mainly because it has lost a proportion of its business to personal search companies. In addition, over the last 12 months the

state of the housing market has deteriorated resulting in a further reduction in the number of local searches undertaken.

3. PROPOSALS

- 3.1 With regard to the current legal position relating to property searches there is something of a patchwork of powers relating to each question forming part of the property enquiries (the refined data). In some cases there is a statutory right of public inspection, usually free of charge, for others access to the information is granted at a local authority's discretion and fees for access are also charged at an authority's discretion. There has also been an amount of inconsistency in terms of how Councils have approached the matter of providing access to the unrefined data. The Local Authorities (England) (Charges for Property Searches) Regulations 2008 aims to address these issues.
- 3.2 The aim of the Regulations is to provide a level playing field between local authorities and personal search agents and to bring clarity and transparency to the charging process. The new regulations require local authorities to provide access to all relevant property records on a cost recovery basis. This will enable Personal Search Agents to compile HIP compliant property searches without the need for insurance against missing data. Those selling property will benefit by receiving all the information they require to prepare the Home Information Pack (HIP) be it from a personal search or an official search and taxpayers will benefit as all associated costs will be recoverable by the Council.
- 3.3 The Regulations establish a new approach to the calculation of fees for the provision of unrefined property data and set out the principles for charging based on historic cost recovery and require that, over a period of three consecutive years, a local authority must ensure that the total income from these charges does not exceed their total costs.
- 3.4 For each financial year from 1 April 2009, a local authority must also publish (by 30 June following the relevant financial year) a summary of the total costs of providing unrefined data, the number of requests and the total income from charges made.
- 3.5 With regard to refined data ie the cost of answering enquiries, a charge may be made at the local authority's discretion having 'regard to the costs'. The Regulations do not apply to anything in respect of which a local authority may or must impose a charge. Similarly it does not apply to the provision of free statutory information.
- 3.6 In order to provide transparency, during each financial year a local authority must publish a statement setting out the estimates of total costs and numbers of requests for unrefined data for the next financial

year (and the basis for it) together with the proposed charges in relation to both refined and unrefined data.

4. FINANCIAL CONSIDERATIONS

- 4.1 The Regulations require Local Authorities to set a fee for access to property records as data in an unrefined form on a cost recovery basis. The fee is to be calculated based on the total annual cost of providing access to that data divided by the total number of requests, both internal (i.e. for Official Land Charges Searches) and externally (i.e. for Personal Search Agents). The fees are to be reviewed and reported on annually and should be suitably adjusted so that cost recovery is achieved over a rolling three year period.
- 4.2 From 6 April 2009 Personal Search Agents will no longer be able to rely on insurance cover for missing data from a property search. This appears to have been common practice in the past as not all property search information required by the Home Information Pack (HIP) is available from a Personal Search of the Local Land Charges Register (LLC1). The Regulations require that all unrefined property data be made available on a cost recovery basis, which will enable Personal Search Agents and Local Authorities alike to produce a HIP compliant property search.
- 4.3 Relevant annual costs for maintenance and access to the unrefined and refined data are currently budgeted to be around £94700 and the number of requests for 2009/10 is forecast to be around 1250. It is proposed that the fee for access to all property records available in relation to a local search be set at approximately £76. This calculation is set out in more detail at **annex A** and includes the costs broken down by individual question.
- 4.4 The new regulations are expected to make the market place more competitive and should also greatly improve the quality of information supplied to property purchasers. However it is considered that some of the fees currently charged are out of line with the market place and it is therefore necessary to realign the Council's fee structure to enable the Council to be more competitive and hopefully regain some of its lost market share. The proposed fees are attached at **Appendix B**.
- 4.5 The rapidly falling number of search requests due to the effect of the credit crunch, falling house prices and the introduction of the Home Information Pack (HIP) has had a major impact on income. It is hoped that by adjusting its fees for refined data, the Council can regain some of its lost market share, which may go some way to offset the impact of the downturn in requests generally as a result of the economic climate.

5. RISK IMPLICATIONS

- 5.1 Given that the proposed fee for access to property records is based upon an assumed number of searches for the year, if the actual number varies then the loss / surplus will need to be taken into account by increasing or reducing the fees for the following years in order to break-even over a 3 year period.
- 5.2 There is a risk that fees for unrefined and refined data are not competitive which may cause a further loss of market share. Fees will be closely monitored on a quarterly basis.

6. RECOMMENDATIONS

With effect from 6 April 2009 the fees for

- c) Access to property information be implemented as per **Appendix A**
- d) Official local land charge searches be implemented as per **Appendix B**

7. REASONS FOR RECOMMENDATIONS

To ensure compliance with the Local Authorities (England) (Charges for Property Searches) Regulations 2008.

8. BACKGROUND PAPERS

- a) The Local Authorities (England) (Charges for Property Searches) Regulations 2008
- b) Local Authority Property Search Services – Costing and Charging Guidance

9. CONTACT OFFICER

Christine Armstrong
Central Services Manager
Telephone 01429 523016
Email: christine.armstrong@hartlepool.gov.uk

Annex A

Scales of fees and charges 6 April 2009

Property Searches – Calculation of Fees and charges

	£
Land Charge Section	38,920
Regeneration & Planning	22,351
Neighbourhood Services	14,530
Computer Searchnet Fees	31,253
Postage/paper	1,917
Central Administration	10105
Deduct Personal Search Income	- 15,132
Cost Quantum	103,944

No of Requests per annum +	Number	Average Minutes per request	Total Minutes	% Weighting	Cost Quantum	Cost per request
					£	£
CON29	1,250	18	22,500	91.1%	94,701	75.76
LLC1	732	3	2,196	8.9%	9,243	12.63
			24,696	100.0%	103,944	

	£
CON 29	75.76
Computer Searchnet Fee	16.38
Net Cost of CON 29	59.38
Questions on Form	17
*Cost per Question	3.52

* Searchnet Fee must be added to each request not each question.

Annex B

Scales of fees and charges 6 April 2009

Local Land Charge Searches

	ELECTRONIC £	POSTAL £
LLC1 complete	13.00	14.00
CON29 part 1 complete	76.00	81.00
CON29 part 1 per question	6.00*	7.00*
CON29 part 2 per question	6.00*	7.00*
CON29 part 3 per question	35.00*	38.00*
Personal search fee	11.00	11.00
Additional parcel	1.00	1.00
TOTAL SEARCH FEE	89.00	95.00
*An additional £16.38 per request (not per question) will be incurred		

FINANCE AND EFFICIENCY PORTFOLIO

Report to Portfolio Holder

26th March 2009



Report of: Head of Procurement, Property and Public Protection

Subject: FORMER BLAKELOCK GARDENS DAY CENTRE

SUMMARY

1. PURPOSE OF REPORT

To update Portfolio Holder in respect of progress in the disposal of the property.

2. SUMMARY OF CONTENTS

The report outlines the present position and the future disposal proposals.

3. RELEVANCE TO PORTFOLIO MEMBER

Portfolio Holder has the responsibility for the Council's land and property assets.

4. TYPE OF DECISION

Portfolio holder only.

5. DECISION MAKING ROUTE

Non key.

6. DECISION(S) REQUIRED

That Portfolio Holder notes the contents of the report and authorises disposal of the site with the buildings in situ as suggested in section 3.

Report of: Head of Procurement, Property and Public Protection.

Subject: FORMER BLAKELOCK GARDENS DAY CENTRE

1. PURPOSE OF REPORT

- 1.1 To update Portfolio Holder in respect of progress in the disposal of the property.

2. BACKGROUND

- 2.1 Portfolio Holder will be aware from the meeting of 28th November 2008 that authority was granted to demolish the existing buildings and offer the cleared site for sale on the open market.
- 2.2 Mobile patrol security arrangements have been in place since January 2009 to protect the building against vandalism.
- 2.3 An acceptable tender for the demolition of the building has been received but, because of issues with Natural England with regard to a Bat Licence, we have been unable to clear the site.
- 2.4 Three applications to Natural England have been submitted for approval to re-site the bats to an approved alternative location. This involved the provision of bat boxes which in itself is a very straight forward procedure. However, Natural England have refused each application and a copy of the latest Natural England refusal of the 20th February 2009 is shown at **Appendix 1**.
- 2.5 Paragraph six of page two of the Natural England letter suggests; "The satisfactory alternative would be to leave the demolition of the building until nearer the time the development is due to take place ..."

3. PROPOSALS

- 3.1 Having regard to the content of 2.5 above, it is felt that the issue of the Bat Licence should run with the sale of the property on the basis that the future purchaser address this problem in whatever way is considered appropriate at that time. This means that the liability to deal with the Bat Licence would be transferred to an outside body

who as the developer of the site may be able to deal with the process as part of future proposals.

- 3.2 To achieve this objective, it is suggested that the land and buildings be offered for sale, as is, on a private treaty basis through the offices of an appointed regional property agent with whom we have already had discussions.
- 3.3 It is considered that the existing security arrangements remain in place until contracts for the sale are in place.

4. FINANCIAL CONSIDERATIONS

- 4.1 Financial considerations are set out in confidential **Appendix 2**

This item contains exempt information under Schedule 12A Local Government Act 1972 (as amended by the Local Government (Access to Information) (Variation) Order 2006) namely, (para 3) information relating to the financial or business affairs of any particular person (including the authority holding that information).

5. RECOMMENDATIONS

- 5.1 That Portfolio Holder notes the contents of the report and authorises disposal of the site with the buildings in situ as suggested in section 3.

6. REASONS FOR RECOMMENDATIONS

- 6.1 To enable the Borough Council to achieve a sale of the property in the shortest timescale possible and at the highest possible price.

7. CONTACT OFFICER

- 7.1 David Dockree
Acting Estates Manager
Leadbitter Buildings
Stockton Street
Hartlepool
TS24 7NU

Telephone No 01429 523387
E-mail address david.dockree@hartlepool.gov.uk

20 February 2009
Your Ref: EPSM 2008-215C

Mr Keith Donald
Hartlepool Borough Council
Asset Management Officer
Leadbitter Buildings
Hartlepool
Durham TS24 7NU

KL
WSD-LEADBITTER
23 FEB 2009
RECEIVED BY DSM

ENGLAND

Jenny Vickers
Senior Licensing
Officer
Natural England
Wildlife Licensing
Unit
Burghill Road
Bristol, BS10 6NJ

T 0117 959 8534
F 0045 6013438

Dear Mr Donald

**CONSERVATION (NATURAL HABITATS, & c.) REGULATIONS 1994 (AS AMENDED)
SITE: BLAKELOCK DAY CENTRE, BLAKELOCK GARDENS**

I refer to your re-submission received on 11 February 2009.

Natural England has assessed your re-submitted Reasoned Statement and, at this stage, we cannot grant a licence because the proposals do not meet the tests set out in the regulations.

In relation to regulation 44(2)(e), we are not satisfied that this is met. The information provided in the Reasoned Statement currently fails to meet the tests of the regulations for the reasons provided below.

In relation to regulation 44(3)(a), we are not satisfied that this is met. The information provided in the Reasoned Statement currently fails to meet the tests of the regulations for the reasons provided below.

Generally, the vast majority of applications submitted under the basis of Public Health and Safety (PH&S) are for the demolition of unsafe structures or buildings that constitute an imminent threat to public health and safety. From the information currently provided in the Reasoned Statement (R/S) it seems that the basis of this application is not that the building structure is unsafe but rather that demolition is required in order to eliminate the elements of social disorder and criminal activity (vandalism, theft, arson etc) which the retention of the structure itself exacerbates.

The reports submitted do not show imminent health and safety issues. The reports refer to photographs but these were not attached. The report states the building is structurally sound and fully retains its structural integrity. This implies it is not a structural problem but more a security issue. If the site has adequate security measures put in place, trespassers will not be able to access the site and the risk from asbestos disturbance,

Natural England
Head Office
1 East Parade
Sheffield S1 2ET

www.naturalengland.org.uk

vandalism, theft or arson would be minimal. When the building was manned for security for 24 hours 7 days, no significant vandalism took place. The asbestos remained in situ in sound condition and did not represent a hazard.

Where applications are submitted for the purpose of an overriding need to eliminate unacceptable antisocial and criminal activities on a given site, the level of information and documentary evidence required to satisfy the tests of the regulations is much more stringent. The level of evidence required to demonstrate the need to remove an otherwise sound structure must prove that the issues are of such severity that the only satisfactory alternative is to remove the structure. The level and quality of the evidence provided must outweigh the very strict level of protection afforded to the species and its habitat.

The main issue seems to be the cost of the security and how long this cost is to be incurred. There are no public health and safety issues. The cost seems to fall more to the overriding public interest test and in itself does not outweigh the species protection – indicated as a pipistrelle maternity roost. Perhaps further surveys this summer would allow a re-assessment of the bat interest and value.

The cost of securing the site on a twenty four hour basis is insufficient evidence to warrant the issue of a licence. Other forms of securing the site should be considered e.g. high fencing, security dogs and continued use of ad hoc night time visits by mobile security personnel.

Also, if security costs are the issue perhaps you should ensure that you are getting value for money. It is not clear from the supporting documents that consideration has been given to the retention and alternative use of the existing building – restoration and repairs and letting the building for other uses e.g. voluntary work. This may be cheaper in the long term than paying security costs.

The satisfactory alternative would be to leave the demolition of the building until nearer the time the development is due to take place or restore and repair the building for alternative use.

If you have any queries regarding other aspects of the licensing decision (specifically the Purpose and Satisfactory Alternatives tests), please contact the Wildlife Licensing Unit on 0845 601 4523 or email to wildlife@naturalengland.org.uk, specifying your case reference number.

Please note that staff in the licensing unit do not have the specialist technical knowledge to answer queries on species or mitigation.

We will keep your file open for six months from the date of this letter to allow you time to compile the necessary information. If you wish to apply for a licence after this period you will need to complete and submit a new application pack.

Natural England
Head Office
1 Eock Parade
Sheffield S2 2ET

www.naturalengland.org.uk

Natural England is committed to providing a high quality service and values your comments to help us improve, so please take a few minutes to complete the enclosed feedback form. If you do experience a problem, please let me know and I will try to resolve the issue. Alternatively, you may wish to write to the Head of the Wildlife Licensing Unit at the address above. To find out more about Natural England's complaints procedure, you can call our Enquiry Service (Tel: 0845 6003078; or email: info@naturalengland.org.uk) or view the details on our website <http://www.naturalengland.org.uk/contact/complaints.htm>.

Yours sincerely,

JH Vickers

Mrs Jenny Vickers
Senior Licensing Officer

c.c. Mr Paul Lupton

Natural England
Head Office
1 East Parade
Sheffield S1 2ET

NOT FOR PUBLICATION

APPENDIX 2

1. FINANCIAL CONSIDERATIONS

- 1.1 The property has been professionally valued as a cleared site, in the region of £200,000.
- 1.2 This means that the financial liability for the demolition would fall to the purchaser and equally importantly if value were perceived in the existing range of buildings, the option to retain them would exist.
- 1.3 If the liability to demolish the building would pass to the purchaser, and, in any event, it is considered that the difference in value with the buildings would not be significantly different from the value achieved without the building.
- 1.4 The costs of pursuing the Bat Licence application to date amounts to £14,000 or thereabouts and it is considered, if at all possible, that no further funds are out laid in this direction.

FINANCE AND EFFICIENCY PORTFOLIO

Report to Portfolio Holder

26th March 2009



Report of: Head of Procurement, Property and Public Protection

Subject: PROCUREMENT UPDATE REPORT

SUMMARY

1. PURPOSE OF REPORT

To provide an update to the Portfolio Holder on procurement developments and activities.

2. SUMMARY OF CONTENTS

The report outlines some of the key developments and activities that are currently taking place.

3. RELEVANCE TO PORTFOLIO MEMBER

Portfolio Holder is the Procurement Champion.

4. TYPE OF DECISION

Non-key decision.

5. DECISION MAKING ROUTE

Portfolio Holder only.

6. DECISION(S) REQUIRED

That the Portfolio Holder notes the progress to date.

Report of: Head of Procurement, Property and Public Protection

Subject: PROCUREMENT UPDATE REPORT

1. PURPOSE OF REPORT

- 1.1 To provide an update to the Portfolio Holder on procurement developments and activities.

2. REGIONAL STRATEGIC AND OPERATIONAL LEADERSHIP OF COLLABORATIVE PROCUREMENT

- 2.1 Following a recent tendering exercise, Price Waterhouse Coopers (PWC) have been appointed by RIEP to undertake this piece of work, which started on 16th February 2009 and is expected to be fully completed by mid April 2009, and sign off by early May 2009.

- 2.2 The review will make recommendations on:

- Appropriate governance and constitutional arrangements including Members, Senior Officers and technical procurement experts and partners;
- Options for delivery models to provide the required strategic leadership, capacity and capability, having considered the impact on local communities, sub-regional and regional marketplaces within the general level of regional spend;
- Funding options to ensure long term sustainability;
- Working relationships between any centralised body and individual authorities, Fire and Rescue Services (FRS) and partners; and,
- Frameworks to provide both accountability and support for collaborative procurement as well as building capacity and capability within all the LAs, FRS and partners.

- 2.3 There will need to be commitment from a range of stakeholders to enable the review to be fully representative of the ongoing requirements of the region, and as such PWC will be contacting relevant individuals to either hold face to face or telephone interviews.

- 2.4 Where appropriate Chief Executives, Directors with responsibility for Procurement and elected Members will be engaged in the process and

RIEP are requesting that they should make sufficient time in their schedules to accommodate PWC as best as possible.

- 2.5 In general the RIEP has set out its programme to develop procurement collaboration and the key workstreams are detailed below:

Collaboration North East

Project Title	Description
Policy and Practice Harmonisation	This project is focused on developing a collaborative approach to procurement across the region where collaboration adds value to the procurement. This will be achieved through the harmonisation of current regional local authority policy frameworks relevant to procurement activity in the following key areas: Financial (Standing Orders/Contract Procedure Rules), Sustainability, Equalities and Diversity, Health and Safety, Collaborative Procurement, Workforce Employment and the production of a Multi Sector Agreement.
Category Spend Planning and Category Management	<p>The project involves the Proof of Concept, development and implementation of strategic category management and analysis approach to collaboration.</p> <ul style="list-style-type: none"> • Carry out high level study of existing good practise re Collaborative Arrangements • Arrange a Category Management 'Awareness' Workshop externally facilitated. • Development of Categories for Phase 1 • Develop proposal for Category Management
Commerce Interface	<p>The objective of the project is to ensure that the harmonisation procurement documents that have been produced by NECE are adopted by all local authorities and that the necessary infrastructure and governance is put in place to keep the documents up to date, further develop them as required and manage and publish any changes.</p> <p>The key facts document also contains the processes associated with Supplier Registration & Accreditation and the Portal Roll Out</p>
Capacity Management and Mobilisation:	<p>This theme is concerned with ensuring that the appropriate regional leadership and capability are in place to deliver the savings and benefits that regional collaboration using a category based planning approach brings.</p> <ul style="list-style-type: none"> • Political governance and operational framework review • Capability Reviews • Capability Development Programme • Systems

Project Title	Description
Demand and Supply Side Intelligence	<p>The key objective is to develop a repository of procurement intelligence, integrated from multiple supply and demand sources that can be packaged for specific user requirements and deployed across the web to every decision maker. Scalable, in both data and performance, to meet the needs of a growing community of users.</p> <p>This will provide a rich intelligence to a regional community of stakeholders, to realise the greater potential for regional collaborative procurement using a category based planning approach to contribute, through a partnership approach, to service improvement and market development to achieve significant social, economic and environmental outcomes for the North East</p>

3. LOCAL GOVERNMENT OMBUDSMAN

- 3.1 This item updates Portfolio Holder on the result of a Local Government Ombudsman Investigation in to the Home to School Transport tender. The tender for the Home to School transport provision was undertaken in July 2008.
- 3.2 A tenderer had made complaints to the Ombudsman against the award of the Home to School contract and the Ombudsman has replied with a provisional view that the Council has not acted with administrative fault in relation to the complaint.
- 3.3 However the Ombudsman did comment that the Council in his opinion could improve the clarity of documents it gives to tenderers by including references to relevant matters covered in the Officers' Guide to procurement
- 3.4 For example, it would be helpful if guidance documents stated that the Council has a policy of ensuring a balance of providers from internal, external and voluntary sources, and the Best Value may mean that a contract is awarded to an existing provider outside the tender process.
- 3.5 The Officer's Guide is being updated accordingly and the issue has been discussed with the Corporate Procurement Group.

4. PROCUREMENT IN SCHOOLS

- 4.1 Officers in Children's Services and Procurement continually provide advice and guidance in good procurement practice, utilising the Council's contracts and following the Council's Contract Procedure Rules.
- 4.2 The Council has been approached by the Department for Children, Schools and Families (DCSF) Education Procurement Centre to be involved in a free advisory service to schools. The service includes the provision of a dedicated resource to work with individual schools to undertake a 'procurement health check' and give guidance on how their procurement practice can be improved – including the identification of savings.
- 4.3 Officers have met with DCSF representatives and an opportunity for an early pilot with 3 schools is being considered, with other schools coming on stream later in the year. A report is being prepared for the Head Teachers Forum in June to discuss the issues.
- 4.4 Portfolio Holder is requested to note the progress, with a future report to follow at an appropriate time.

5. “BUY LOCAL CAMPAIGN”

- 5.1 The economic recession has exacerbated the need to consider how we engage with suppliers and in particular how we can encourage use of local suppliers in procurement exercises.
- 5.2 The Mayor has launched Hartlepool’s Buy Local Campaign which is also being promoted regionally by the North East Chamber of Commerce. It is being co-ordinated by the Hartlepool Enterprise Centre at Brougham Terrace, which is home to 50 local businesses.
- 5.3 The idea behind the campaign is to consider the value of buying from local companies. This is the local multiplier effect previously discussed at Portfolio Holder meetings.
- 5.4 The Council needs to lead by example, although there are strict procurement rules both national and via the EU as well as our own contract procedure rules. However procurers should be encouraged to support local suppliers wherever possible
- 5.5 This could be by including local suppliers when seeking quotations for goods, services or works under the relevant Contract Procedure Rules (CPR) thresholds (£50k for works; £25k for goods / services).
- 5.6 Where formal tenders are required CPR’s ask for 4 tenderers to be used. The fourth tenderer was added to the CPR’s to encourage the possibility of a local supplier being involved. This is included in our Procurement Guidance.
- 5.7 We have already pledged to pay invoices to Hartlepool companies within 10 days.
- 5.8 We will also review tender thresholds and any other relevant clauses in the Annual Review of Contract Procedures to, wherever possible, assist sustainable procurement.
- 5.9 Portfolio Holder is requested to support the principle of the “Buy Local” campaign and endorse approaches outlined to support local suppliers.

6. CONTRACT PROCEDURE RULES

- 6.1 The annual review of the Council’s Contract Procedure Rules (CPR’s) have commenced and Corporate Management Team have been requested, through their representatives on the Corporate Procurement Group, to feedback on issues that require addressing.
- 6.2 The process will follow a route through Constitution Committee / Working Group, Portfolio Holder and Council.

- 6.3 Regionally the Policy and Practices Harmonisation Strand of the Regional Improvement and Efficiency Partnership (RIEP) Procurement Board have recommended that authorities, with effect from the next scheduled review, agree to the adoption of minimum thresholds to undertake quotations and tenders, as set out below:

	Quotations	Tenders
Up to £5,000	Demonstrate Value For Money	
£5,001 - £50,000	Minimum 3 quotes (to include at least 1 from local company)	
Over £50,001		Minimum 3 written tenders invited

- 6.4 It should be noted that there may be occasions, such as when dealing with specific types of grant, when the requirements to seek full tenders is set at an amount less than the recommended £50,000, e.g.. ERDF or Single Programme (SP). In such circumstances the lower amount must be specified at which Tenders should be sought must be adhered to, i.e. SP contracts must seek Tenders at a level of £20,000.
- 6.5 The area in which the Council needs to consider change is above £25,000 for goods, materials and services where we currently seek tenders rather than quotations. This will be addressed via a review of the CPR's.
- 6.6 The Portfolio Holder's comments on the review are welcomed.

7. **CONTRACT SCRUTINY COMMITTEE AND TENDER GUIDANCE**

- 7.1 The Committee have again raised questions on a variety of issues where procurers do not provide tender packages in line with Contract Procedure Rules and Guidance, and hence on some occasions tenders are being returned and opened with errors.
- 7.2 It is suggested that the Portfolio Holder notes the points raised by the Committee and supports action to ensure procurers follow procurement guidance.
- 7.3 The following items, in particular, need a consistent application by procurers in order to ensure that the tender process is in line with Contract Procedure Rules. There was a concern that the Committee cannot reject an invalid tender if there is any doubt about instructions / packages supplied to tenderers.
- 7.4 **Instructions to Tenders**

Must be clear in requesting tenderers to follow protocols.

7.5 **Tender Title and Price Summary Sheet**

Should always be supplied, with the tenderer instructed to complete it and enclose it as the upper-most sheet in the tender response. Procurement Guidance for Officers has protocol and proforma included. It was accepted that some more complex tenders may not fully lend themselves to this summary sheet form, but it should still be utilised.

7.6 **Envelopes and Labelling**

Contract Procedure Rules are clear that no tenders should be accepted except in a plain sealed envelope which should be unmarked save for the word “Tender”, followed by the subject to which it relates. To achieve this, Procurers must include a return envelope suitably labelled with the tender package. There must be no indication of the sender on the envelope.

7.7 **Submission of Tenders**

Must be on time, delivered to correct address and signed for by an appropriate officer.

It is only when there is consistency in the above items that the Committee can fully consider tenders and discount those that are invalid.

The Committee considered Guidance Notes (attached as **Appendix 1**), that will be issued to every officer who requests a Contact Reference Number from the Procurement Unit. This is a requirement of procurement process to enable the Council's Contract requests be maintained. Such a number must be obtained before Democratic Services will arrange tender opening. The importance of a procurer recognising the need to register a tender with the Procurement Unit at the earliest opportunity is emphasised, as this triggers personal reminders of the guidance. The time of notification of opening is often too late.

7.8 **Special Terms and Conditions**

There are options within documents on the Officers Guide to Procurement on “Special Terms and Conditions” which need to be considered depending upon the nature of this contract. Equalities will be added to the section. There are actions required particularly around monitoring equality in contracts that have resulted from the new Equality Framework and recommendations from the recent Equality Mark Assessment.

7.9 Portfolio Holders notes the report and endorses the actions necessary as a result of issues raised by the Contract Scrutiny Committee.

**OPEN PROCEDURE TENDER - STANDARD TENDER
PACKAGE INCLUDES**

NO.	DOCUMENT	OVERVIEW	INCLUDED
1	Title Sheet	<i>Detailing tender title, tender period (including any extension), tender reference and tender closing date</i>	
2	Contact Query Sheet	<i>Detailing tender title, tender period (including any extension), tender reference PLUS contact name, telephone number and email address of officer to contact in the event of any queries</i>	
Optional	HBC Background	<i>Optional – Background to Contract / Hartlepool B.C.</i>	
3	Organisation Guide on Tender Procedures	<i>Guidance document for tenderers invited to take part in an 'open procedure' tendering process advising them of the different stages of the process and what will generally be required of them at each stage.</i>	
4	ITT Instructions and Details of Contract	<i>Main Invitation to Tender document to be used when the decision has been taken to carry out an 'Open Procedure' tender.</i>	
5	Primary Qualification Questionnaire & Instructions	<i>Primary Qualification Questionnaire & Instructions includes:- Organisation Profile; Grounds for Exclusion; Insurance; Finance; Health and Safety; Equality and Diversity; Technical; References; Form of Undertaking others</i>	
Additional if required	Pre Qualification Wording and Questions	<i>Additional wording with regard to the use of Sub-contractors and additional capacity questions with regard to: environment, quality management, social and economic issues, employment of personnel and TUPE</i>	
7	ITT SCHEDULE 1 Specification	<i>Details of procurement of goods/services</i>	

OPEN PROCEDURE TENDER - STANDARD TENDER
PACKAGE INCLUDES

NO.	DOCUMENT	OVERVIEW	INCLUDE D
Title Page	ITT SCHEDULE 2 Contract Particulars, Standard and Special Terms and Conditions	<i>Title Page which includes 8, 9 and 10</i>	
8	Contract Particulars (Part 1)	<i>This documents details the particulars of the contract to be entered into. This document will form part of the resulting Contract together with the Standard Terms and Conditions, the Special Terms and Conditions and the successful tenderer.</i>	
9	Standard Terms and Conditions of Contract (Part 2)	<i>When the tender/contract is for the purchase of 'services', this document should be inserted into 'ITT Schedule 2 – Part 2'. This document will form of the resulting Contract together with the Contract Particulars, the Special Terms</i>	
10	Special Terms and Conditions of Contract (Part 3)	<i>This document contains special terms and conditions clauses not included in the standard set including:- Equalities, price and payment, contract rebate, termination, indemnity and loss, criminal records bureau, business continuity, post contract monitoring, community safety, spare parts, independent contractors, licence to occupy Council premises, meetings and progress reports, assignment and sub-contracting and TUPE indemnity. Whichever of these clauses are required should be inserted into 'ITT Schedule 2 – Part 3. This document, if applicable, will form part of the resulting Contract together with the Contract Particulars, the Standard Terms and Conditions and the successful Tender.</i> NB – If you consider that a procurement project may require a 'special condition' to suit a particular local circumstance which is not covered by either the standard or special terms and conditions, please contact Legal Services for advice.	
11	ITT SCHEDULE 3 Form of Tender	<i>Official Form of Tender which must be completed by the prospective supplier/provider/contractor</i>	

OPEN PROCEDURE TENDER - STANDARD TENDER
PACKAGE INCLUDES

NO.	DOCUMENT	OVERVIEW	INCLUDED
12	ITT APPENDIX TO FORM OF TENDER Total Pricing Sheet	<i>Where possible this sheet should be included for contractors/tenderers to complete and bring forward the total overall price from the pricing schedule</i>	
13	ITT APPENDIX TO FORM OF TENDER	<i>Pricing Schedule to enable contractors/tenderers to compete prices of goods/services</i>	
14	ITT SCHEDULE 4 Certificate of Non-Collusion and Non Canvassing	<i>A document that must be signed by the prospective supplier/provider/contractor agreeing and confirming that the tender documents have been completed competitively, without collusion with others and it is a genuine tender submission and that they have not canvassed any HBC Member, Officer or Employee in relation to the tender/contract</i>	
15	ITT SCHEDULE 5 Intention to Tender Form	<i>Optional form allowing prospective tenderers to indicate their intention to submit a tender.</i>	
16	RETURN ENVELOPE/LABELS	<i>Please remember to include appropriate labels for the return of tender (specifying the title, reference and closing date) OR ALTERNATIVELY Include an pre-labelled envelope.</i>	

3.1 APPENDIX 1

OPEN PROCEDURE TENDER - STANDARD TENDER PACKAGE INCLUDES

NO.	DOCUMENT	OVERVIEW	COMPLETE
1	Rejection letter for Providers Shortlisted	<i>Standard letter to be sent to providers who were invited to submit a tender, but were unsuccessful, informing them of the Council's intention to award the contract and to whom</i>	
2	Intention to Award a Contract Letter	<i>Standard letter to be sent to the successful tenderer, informing them of the Council's intention to award the contract to them following an unchallenged 10 day standstill period</i>	
3	Award of Contract Letter	<i>Standard letter to be sent to the successful tenderer, when the 10-day standstill period has passed without legal challenge, to confirm the award of the contract to them.</i>	

3.1 APPENDIX 1

RESTRICTED PROCEDURE TENDER - STANDARD TENDER PACKAGE INCLUDES

NO.	DOCUMENT	OVERVIEW	INCLUDED
1	Title Sheet	<i>Detailing tender title, tender period (including any extension), tender reference and tender closing date</i>	
2	Contact Query Sheet	<i>Detailing tender title, tender period (including any extension), tender reference PLUS contact name, telephone number and email address of officer to contact in the event of any queries</i>	
Optional	HBC Background	<i>Optional – Background to Contract / Hartlepool B.C.</i>	
3	Guide for Tendering Organisation on 'Restricted Procedures'	<i>Guidance document for tenderers invited to take part in an 'restricted procedure' tendering process advising them of the different stages of the process and what will generally be required of them at each stage.</i>	
4	Instructions To Organisation and Details of Contract	<i>To be used in conjunction with the pre-qualification questionnaire (PQQ). Contains details of the Contract to which the PQQ applies, instructions on how the PQQ should be completed and details on how the PQQ will be evaluated.</i>	
5	Pre Qualification Questionnaire & Instructions	<i>Pre Qualification Questionnaire & Instructions includes:- Organisation Profile; Grounds for Exclusion; Insurance; Finance; Health and Safety; Equality and Diversity; Technical; References; Form of Undertaking; bankers reference letters</i>	
Additional if required	Pre Qualification Wording and Questions	<i>Additional wording with regard to the use of Sub-contractors and additional capacity questions with regard to: environment, quality management, social and economic issues, employment of personnel and TUPE</i>	
6	Standard and Partners	<i>A statement for the information of contractors, external partners and others who have dealings with the Authority. It states that the Council aspires to the highest standard of conduct and governance in the discharge of its roles and</i>	

3.1 APPENDIX 1

		<i>summarise the principal elements contributing to the attainment of these objectives. This document should be included with all pre-qualification and tender documents issued to potential providers/tenderers</i>	
--	--	--	--

3.1 APPENDIX 1

EVALUATION OF PRE-QUALIFICATION QUESTIONNAIRES TAKES PLACE

RESTRICTED PROCEDURE TENDER - STANDARD TENDER PACKAGE INCLUDES

NO.	DOCUMENT	OVERVIEW	COMPLETE
	Pre-qualification questionnaire Rejection Letter for Providers not Shortlisted	<i>Standard letter to be sent to providers (who expressed an interest in a contract by submitting a pre-qualification questionnaire) informing them that they have been unsuccessful at the selection stage, and therefore will not be invited to tender.</i>	
NO.	DOCUMENT	OVERVIEW	INCLUDED
1	ITT Instructions and Detail of Contract	<i>Main ITT document containing summary instructions, details of the contract, tender timetable, check list for tenderers, contents including tender submission requirements and evaluation and award criteria, and schedules list</i>	
Additional if required	ITT Additional Clauses	<i>Additional clauses that can be added to Sections 1 to 5 of the main ITT Instructions and Details of Contract' document if required. Plus a new section on TUPE, if applicable in service contracts.</i>	
2	ITT SCHEDULE 1 Specification	<i>Title Page</i>	
3	Specifcation	<i>Details of procurement of goods/services</i>	
4	ITT SCHEDULE 2 Contract Particulars, Standard and Special Tems and Conditions	<i>Title Page</i>	
5	Contracts Particular	<i>This documents details the particulars of the contract to be entered into. This document will form part of the resulting Contract together with the Standard Terms and Conditions, the Special Terms and Conditions and the successful tenderer.</i>	

3.1APPENDIX 1

6	Standard Terms and Conditions of Contract for GOODS or SERVICES(Part 2)	<i>When the tender/contract is for the purchase of 'services', this document should be inserted into 'ITT Schedule 2 – Part 2'. This document will form of the resulting Contract together with the Contract Particulars, the Special Terms</i>	
---	--	---	--

RESTRICTED PROCEDURE TENDER - STANDARD TENDER
PACKAGE INCLUDES

NO.	DOCUMENT	OVERVIEW	INCLUDED
7	Special Terms and Conditions of Contract (Part 3)	<p><i>This document contains special terms and conditions clauses not included in the standard set including:- Equalities, price and payment, contract rebate, termination, indemnity and loss, criminal records bureau, business continuity, post contract monitoring, community safety, spare parts, independent contractors, licence to occupy Council premises, meetings and progress reports, assignment and sub-contracting and TUPE indemnity. Whichever of these clauses are required should be inserted into 'ITT Schedule 2 – Part 3. This document, if applicable, will form part of the resulting Contract together with the Contract Particulars, the Standard Terms and Conditions and the successful Tender.</i></p> <p>NB – If you consider that a procurement project may require a 'special condition' to suit a particular local circumstance which is not covered by either the standard or special terms and conditions, please contact Legal Services for advice.</p>	
8	ITT SCHEDULE 3 Form of Tender	Official Form of Tender which must be completed by the prospective supplier/provider/contractor	
9a	ITT Appendix to Form of Tender Total Pricing Sheet	Where possible this sheet should be included for contractors/tenderers to complete and bring forward the total overall price from the pricing schedule.	
9b	ITT Appendix to Form of Tender Pricing Schedule	Pricing schedule to enable contractors/tenderers to complete prices of goods/services	
10	ITT SCHEDULE 4 Certificate of Non-Collusion and Non Canvassing	A document that must be signed by the prospective supplier/provider/contractor agreeing and confirming that the tender documents have been completed competitively, without collusion with others and it is a genuine tender submission and that they have not	

3.1 APPENDIX 1

		<i>canvassed any HBC Member, Officer or Employee in relation to the tender/contract</i>	
16	RETURN ENVELOPE/LABELS	<i>Please remember to include appropriate labels for the return of tender (specifying the title, reference and closing date) AND / OR ALTERNATIVELY Include an pre-labelled envelope.</i>	

RESTRICTED PROCEDURE TENDER - STANDARD TENDER PACKAGE INCLUDES

NO.	DOCUMENT	OVERVIEW	INCLUDED
11	ITT SCHEDULE 5 Intention to Tender Form	<i>Optional form allowing prospective tenderers to indicate their intention to submit a tender.</i>	
Optional	ITT SCHEDULE 6 Contract Rebate Form	<i>Optional Schedule to be used when the contract is of significant value to justify a rebate payment based on volume of use. Usually used for contracts made in collaboration with other contracting authorities</i>	

EVALUATION OF TENDERS TAKES PLACE

RESTRICTED PROCEDURE TENDER - STANDARD TENDER PACKAGE INCLUDES

NO.	DOCUMENT	OVERVIEW	COMPLETE
1	Rejection letter for Providers Shortlisted	<i>Standard letter to be sent to providers who were invited to submit a tender, but were unsuccessful, informing them of the Council's intention to award the contract and to whom</i>	
2	Intention to Award a Contract Letter	<i>Standard letter to be sent to the successful tenderer, informing them of the Council's intention to award the contract to them following an unchallenged 10 day standstill period</i>	
3	Award of Contract	<i>Standard letter to be sent to the successful</i>	

3.1 APPENDIX 1

	Letter	<i>tenderer, when the 10-day standstill period has passed without legal challenge, to confirm the award of the contract to them.</i>	
--	---------------	--	--

IMPORTANT NOTE ON INSTRUCTIONS TO TENDERERS

NO.	DOCUMENT	OVERVIEW
1	Cover sheet to Summarise Total price	<i>Standard pro forma that each tenderer must complete and place at the front of their tender. This is essential to assist Contract Scrutiny Committee at tender opening.</i>
2.	Labelling of tender	<i>It is essential to include the proper labelling / envelope details as in item 16 above</i>

FINANCE AND EFFICIENCY PORTFOLIO

Report to Portfolio Holder

23rd March 2009



Report of: Director of Children's Services and Head of Procurement, Property and Public Protection

Subject: SPACE TO LEARN PROJECT – ST HILD'S SCHOOL

SUMMARY

1.0 PURPOSE OF REPORT

To inform the Portfolio Holder of the development of the Space to Learn project at St Hild's School and to provide an update on the outcomes of the Children's Services Portfolio meeting where decisions were made regarding an approach to elements of sponsorship for the project and the arrangements for an official launch of the project.

2.0 SUMMARY OF CONTENTS

The annexed Children's Services Portfolio report provides an update on progress towards the development of the Space to Learn project and explains the potential for a variety of sponsorship offers from external organisations and the Council's approach to considering them. A draft protocol for the consideration of such offers is outlined in **Appendix A** of the Children's Services Portfolio Holder report, which also considers the next steps in the project particularly concentrating on a public launch which would be of local, regional and national interest.

3.0 RELEVANCE TO PORTFOLIO MEMBER

The project relates to new developments in teaching and learning and is, therefore, within the remit of the Children's Services Portfolio Holder. It also impacts on procurement and is therefore being reported to the Finance and Efficiency Portfolio holder.

4.0 DECISION REQUIRED

The Portfolio Holder is asked to note the contents of this report.

Report of: Director of Children's Services and Head of Procurement, Property and Public Protection

Subject: SPACE TO LEARN PROJECT – ST HILD'S SCHOOL

1. PURPOSE OF REPORT

- 1.1 To inform the Portfolio Holder of the development of the Space to Learn project at St Hild's School and to provide an update on the outcomes of the Children's Services Portfolio meeting where decisions were made regarding an approach to elements of sponsorship for the project and the arrangements for an official launch of the project.

2. BACKGROUND

- 2.1 Space to Learn is intended to be a purpose built learning environment which will enable all schools throughout the town to test out new ideas in teaching and learning ahead of our Primary Capital Programme (PCP) and Building Schools for the Future (BSF) investment.
- 2.2 Significant interest has been shown in this project by a number of organisations and companies. Details are given in the report to the Children's Services Portfolio holder, annexed to this report.
- 2.3 It is proposed to enable sponsorship of the Space to Learn project, with appropriate safeguards in place to protect the interests of the Council and to ensure there is no prejudice to any future procurements, particularly in relation to Building Schools for the Future or the Primary Capital Programme.

3. RECOMMENDATION

The Finance and Efficiency Portfolio holder is asked to note the contents of this report and to receive an oral update on the outcomes of the Children's Services Portfolio meeting of 23rd March.

4. CONTACT OFFICER

Graham Frankland,
Head of Procurement, Property and Public Protection
Civic Centre
Victoria Road
Hartlepool

Tel: (01429) 523301
Email: graham.frankland@hartlepool.gov.uk

Annex: Report to Children's Services Portfolio Holder 23rd March 2009

Report of: Director of Children's Services and Head of Procurement, Property and Public Protection

Subject: SPACE TO LEARN PROJECT – ST HILD'S SCHOOL

1. PURPOSE OF REPORT

- 1.1 To update the Portfolio Holder on the development on the 'Space to Learn' Project at St Hild's School, to approve an approach to elements of sponsorship for the project and to note the arrangements for an official launch of the project.

2. BACKGROUND

- 2.1 Space to Learn is intended to be a purpose built learning environment which will enable all schools throughout the town to test out new ideas in teaching and learning ahead of our Primary Capital Programme (PCP) and Building Schools for the Future (BSF) investment.
- 2.2 This innovative and ambitious project will help us to change how teaching and learning takes place in our schools by providing space that can be flexibly divided into different sizes. Space to Learn will become a test-bed for the very latest in Information and Communications Technology (ICT), furniture, construction techniques and environmental sustainability. The City Learning Centre will be temporarily housed in the facility, providing technological support.
- 2.3 Space to Learn was initially designed by our Client Design Adviser as part of our approach to Schools Transformation, however the design concepts have been developed through engagement with schools, their staff and their pupils.
- 2.4 The £1 million budget for Space to Learn has been secured from the Roman Catholic and Church of England Dioceses and Hartlepool Borough Council's capital programme, which was agreed by the Portfolio Holder for Children's Services at the meeting on 25th March 2008. Outline planning permission was granted on 25th February 2009.
- 2.5 This pioneering facility has attracted the interest of influential organisations such as the British Council for School Environments (BCSE), who have expressed an interest in endorsing Space to Learn as

a National Centre of Excellence. The British Council for School Environments (BCSE) is a membership organisation made up of schools, local authorities, construction companies, architects, and all those involved in and passionate about, designing excellent learning environments. It is a registered charity and non profit making organisation. It acts as a forum for exchange, dialogue and advocacy for anyone interested in learning environments; from educators to policy makers, users to designers, managers to constructors. The potential benefit to Hartlepool of the involvement of BCSE in the Space to Learn project would include the recognition of the transformational aspects by a nationally renowned organisation and the publicising of the project to potential sponsors and others who may offer support and advice on transforming learning and teaching in Hartlepool.

- 2.6 Hartlepool Borough Council officers attended the Building Schools Exhibition and Conference in February 2009 to promote the Space to Learn project. There was overwhelming interest from a wide variety of organisations including suppliers who have expressed their interest in sponsoring the project through the donation of equipment, goods and services.

3. SPONSORSHIP CONSIDERATIONS

- 3.1 In order to develop the unique and transformational nature of the Space to Learn building, officers have been promoting the project, inviting suggestions on construction, layout, ICT infrastructure and furniture, fixtures and fittings.
- 3.2 The result of this is a significant interest from potential providers in sponsoring the project through the supplying materials, equipment, technology and other goods and services.
- 3.3 While such interest is welcome, it is important for the probity of the Council and its officers that the Council's procurement procedures in respect of construction and fitting out are closely adhered to. However the project gives rise to a number of situations which fall outside the normal procurement arrangements because, unusually for the Council, they relate to sponsorship package developments.
- 3.4 Companies are now making offers to the Council to provide goods and services which would be beneficial to the project as an in-kind contribution or as part of a sponsorship package. The goods and services to be provided, would, in some cases, not only enhance the project in terms of creative impact, but also substantially increase the investment opportunity. The companies concerned are indicating that they would be prepared to offer to supply materials, equipment, technology etc. at no cost to the Council and without prejudice to any other supplies or services to be provided to the Council at any time in the

future. This kind of sponsorship arrangement is not fully covered within the Council's procurement procedures.

- 3.5 A similar situation arose in relation to the Tall Ships project. In relation to that project, a system for accepting such offers at no cost and with no prejudice was adopted and approved by the Regeneration and Liveability Portfolio Holder and reported to the Finance and Efficiency Portfolio Holder for information.
- 3.6 It is important that any such "without prejudice" and no-cost basis arrangement is one which individual officers will have to make very clear to prospective sponsors and it will have to be carefully documented. The benefit for companies is that they would be able to use Space to Learn (by agreement) to "show off" their wares to prospective clients.
- 3.7 The proposed process for approving and accepting proposals is that all offers under the £5,000 contract procurement threshold for a competitive requirement are approved by the School's Transformation Project Director and all offers of £5,000 and over are brought to the Portfolio Holder for approval.
- 3.8 There is also the possibility that offers of direct financial support may be made. It is recommended that the Council's response to offers of financial support to the Space to Learn project is the same as the response to offers of goods and services

4. RISK AND FINANCIAL IMPLICATIONS

- 4.1 This whole process is not without significant risk. It is extremely important that any sponsorship scheme should not interfere in any way with the procurement processes associated with BSF (whether ICT or Design and Build) or with PCP procurement processes.
- 4.2 To mitigate this risk and safeguard the Council's position, it is important for there to be a proper process for considering potential sponsorship offers and selection processes to establish which, if any, sponsorship offers should be accepted, taking into account propriety, suitability and sustainability. Equality of opportunity for suppliers must also be considered. A draft protocol for the consideration of such offers is included in **Appendix A** of this report.
- 4.3 When any sponsorship arrangement is approved a Form of Agreement will be signed by the Sponsor and the Council in order to formalise the arrangement. The Form of Agreement will be drawn up in conjunction with the Chief Solicitor
- 4.4 At the time of construction procurement the Council could have a situation where we are nominating suppliers and this can lead to contractual difficulty, extra costs and future maintenance / guarantee

issues hence the proper selection of the “offer” is critical. For example it will be necessary to consider how any offer of supplies, materials etc. can be incorporated properly into the design for the building, and ensure its sustainability and build-ability. In addition, the cost implications of every proposal need to be considered. It is also important that the Council retains control and management of the Space to Learn Project from inception to completion.

5. LAUNCH EVENT

- 5.1 Subject to Portfolio Holder approval of potential sponsorship arrangements, it is intended to launch the Space to Learn project by holding an event in early April 2009. Those companies that have expressed an interest in sponsoring Space to Learn will be invited. It will also be publicised in the local press to encourage local businesses to express an interest. It is also proposed that, through the British Council for School Environments, the launch is publicised to a wider audience of market leaders.
- 5.2 This event will provide an opportunity to present Hartlepool's vision for the project as well as clarifying the principles and processes for the procurement of goods and services with reference to sponsorship arrangements.

6. CONCLUSIONS

- 6.1 The project has attracted local and national interest from organisations including the British Council for School Environments and a variety of suppliers who are keen to sponsor the project. This brings the potential for a leading edge facility to be established in Hartlepool which will establish Hartlepool as a beacon of good practice and help to ensure that the full transformational impact of BSF and PCP is achieved.
- 6.2 In order to achieve this, the proposals for dealing with sponsorship need to be considered, approved and followed in a consistent manner which minimises the risk to the Council. The value and nature of the “sponsorship” will be varied and an agreement is needed to guide officers in the implementation of the project.
- 6.2 Subject to the agreement of the Children's Services Portfolio Holder to the recommendations included in this report, the outcomes will be reported to the Finance and Efficiency Portfolio Holder for information

7. RECOMMENDATIONS

- 7.1 That the Portfolio Holder notes the progress on the Space to Learn Project.

- 7.2 That the Portfolio Holder approves the approach to “Sponsorship” outlined in Sections 3 and 5 of the report AND **Appendix A**.
- 7.3 That the Portfolio Holder notes the arrangements for the launch of the Space to Learn project.

8. CONTACT OFFICER

Graham Frankland,
Head of Procurement, Property and Public Protection
Civic Centre
Victoria Road
Hartlepool

Tel: (01429) 523301
Email: graham.frankland@hartlepool.gov.uk

APPENDIX A

The following is a protocol for the consideration of offers of sponsorship/financial support for the Space to Learn project.

