

## SHAREHOLDER CABINET COMMITTEE

**MONDAY 2 MARCH 2020**  
**10.00 AM**

**Bourges/Viersen Room - Town Hall**

### AGENDA

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Committee Members:

Councillors: Allen, M Cereste, W Fitzgerald (Chair), D Seaton and I Walsh

Further information about this meeting can be obtained from Pippa Turvey on telephone 01733 452460 or by email – [philippa.turvey@peterborough.gov.uk](mailto:philippa.turvey@peterborough.gov.uk)

**MINUTES OF THE SHAREHOLDER CABINET SUB-COMMITTEE MEETING  
HELD AT 11:00AM, ON  
MONDAY, 27 JANUARY 2020  
BOURGES/VIERSEN ROOM, TOWN HALL, PETERBOROUGH**

**Members Present:** Councillor Fitzgerald (Chair), Councillor Allen, Councillor Cereste, Councillor Seaton

**9. APOLOGIES FOR ABSENCE**

Apologies for absence were received from Councillor Walsh.

**10. DECLARATIONS OF INTEREST**

There were no declarations of interest received.

**11. MEDESHAM HOMES LLP**

The Shareholder Cabinet Committee received a report in relation to Medesham Homes LLP.

The purpose of this report was to provide the Shareholder Cabinet Committee with an update on Medesham Homes activities and achievements and provide an overview of the options under consideration for the future of the company's operations and governance arrangement.

Clare Higgins and Howard Bright, Medesham Homes LLP Board Members, addressed the Shareholder Cabinet Committee and advised that the Board was happy with the company's position and would like to see investment continue, subject to suitability. One caveat to this was highlighted, that the company should not place itself in direct competition with other affordable housing suppliers. It was also suggested that creating areas where homeless individuals could be housed en masse was not the best way to develop sustainability. It was felt that now was the time to consider how the company was to progress, including future financing, ambitions, and how it was to benefit the people of Peterborough.

The Shareholder Cabinet Committee debated the report and in summary, key points raised and responses to questions included:

- Members were advised that due to the fact that Medesham Homes LLP was not a public body it was not subject to any right to buy requirements. It was further noted that Cross Keys Homes allowed people to accumulate years within the right to acquire scheme, which was different to right to buy.
- The broader context of the report was discussed, including the Council's previous discussion around investigating the possibility of an Housing Revenue Account (HRA).

- It was noted that work was continuing to progress work with housing demand needs, which has reduced the number of residents in bed and breakfasts and temporary accommodation.
- Members asked for the Medesham Homes business plan to be shared with them.
- It was suggested that the most appropriate funding would depend on the direction that Medesham Homes took in the future, and future business plans would be developed in line with this.
- The Board Members believed that option number 4 was the best option for the future of the company.

The Shareholder Cabinet Committee considered the report and **RESOLVED** to:

- Note the progress that has been made by Medesham Homes LLP in delivering affordable rented homes in Peterborough;
- Note that in the near future it will no longer be possible to finance the development undertaken by Medesham Homes from historic right to buy receipts;
- A  
gree to pursue option 4 as set out in the report for the future operation of the company for discussion and agreement with the Council's JV partner@quest that Medesham Homes LLP's existing Business Plan be circulated to Shareholder Cabinet Committee members.

## **REASONS FOR THE DECISION**

The Council remained committed to the objective of delivering affordable housing in Peterborough. Medesham Homes had demonstrated an ability to do so on sites that would be unattractive to private housebuilders and offered added value to the Council and Cross Keys Homes as a delivery vehicle.

Once London Road had been completed it was estimated that the company would have a vacant possession asset value of between £25m - £30m. This would produce a capital receipt for each partner of between £12.5m - £15m. Tenanted in use valuation would likely be circa £5/7m. In any event, such a sale would likely trigger a default of the CPCA grant funding agreement requiring repayment of around £4m. There may also be a requirement that any receipt may still be subject to ring-fencing for affordable housing. Whilst the Council could use such a receipt to fund non housing projects, or to reduce its debts, the pressures to deliver more affordable housing in the Peterborough were unlikely to recede given the city's forecast population growth in the coming decade. It was therefore argued that, subject to agreement with CKH on future governance and future financing from each of the JV partners, Medesham Homes should continue to pursue its mission of delivering affordable homes.

## **ALTERNATIVE OPTIONS CONSIDERED**

The primary alternative option would be to wind up the company and sell off its assets or for one of the partners to buy out the other. The pursuit of such an option would deny the Council the opportunity to deliver additional affordable homes harnessing the expertise of CKH and the resources that have been brought together through the Medesham Homes joint venture. By continuing to use Medesham as a joint venture delivery vehicle, borrowing against existing assets, attracting grant funding and injecting additional debt finance the Council would be able to play an important role in securing affordable housing delivery, in particular on sites that the private sector may be unwilling or unable to take forward.

## 12. EMPOWER PETERBOROUGH

The Shareholder Cabinet Committee received a report in relation to Empower Peterborough.

The purpose of this report was to provide an overview of the Empower Peterborough project and an update on the progress of the loan re-financing to a long term funder.

The Acting Corporate Director for Resources, addressed the Shareholder Cabinet Committee and advised that the Council entered into an agreement with Empower Community Management LLP with an investment of £23 million. This resulted in 7,700 installations of solar panels in residential properties. The Council's loan was fully secured on these assets and was originally due in March 2018, however the refinancing options were not considered acceptable. Currently an agreement was being sought with Global Tower Solutions (GTS), with a business model being approved.

The Shareholder Cabinet Committee debated the report and in summary, key points raised and responses to questions included:

- Members discussed the possibility of a new type of batter, which would benefit GTS should they introduce this.
- The Council had only funded the start up costs for the scheme, it was now up to the operator to replace and repair the assets when necessary.
- It was noted that the revenue stream for the Council would continue even if the solar panels were replaced.
- Comment was made that the costs to the Council during the negotiation period for the financial agreement had also been covered.

The Shareholder Cabinet Committee considered the report and **RESOLVED** to note the contents of the report.

### REASONS FOR THE DECISION

The reason for the recommendation was to ensure the Shareholder Cabinet Committee understood the Empower project and progress on the Empower loan refinance progress.

### ALTERNATIVE OPTIONS CONSIDERED

An alternative option was not to present this report to the Shareholder Cabinet Committee. This option was not taken forward as it was important to update the Committee on the Empower partnership and the loan refinance progress.

## 13. SHAREHOLDER CABINET COMMITTEE WORK PROGRAMME

The Shareholder Cabinet Committee reviewed their work programme and it was noted that there had been some confusion around the planned returned of the NPS Peterborough report. This was currently in draft form and due to be finalised before March. Members felt that the report should be circulated in its current form and the final version should be presented at the March meeting, or earlier if necessary.

The Shareholder Cabinet Committee considered the report and **RESOLVED** to note the latest version of the work programme, with the following amendment:

2 March 2020

The addition of 'NPS Peterborough', though an extraordinary meeting would be scheduled earlier if felt necessary, following circulation of the draft report to Members.

Chairman  
11:00am – 12:08am  
27 January 2020

<b>SHAREHOLDER CABINET COMMITTEE</b>	<b>AGENDA ITEM No. 4</b>
<b>2 MARCH 2020</b>	<b>PUBLIC REPORT</b>

Report of:	Steve Cox - Executive Director Place and Economy	
Cabinet Member(s) responsible:	Cabinet Member for Finance	
Contact Officer(s):	Steve Cox, Executive Director Place and Economy	Tel. 01733 453475

## **PETERBOROUGH INVESTMENT PARTNERSHIP**

R E C O M M E N D A T I O N S	
<b>FROM:</b> Steve Cox - Executive Director Place and Economy	<b>Deadline date:</b> N/A
<p>It is recommended that the Shareholder Cabinet Committee:</p> <ol style="list-style-type: none"> <li>1. Note the contents of this report.</li> <li>2. Support the Council's continued involvement in the now-proven model of the Peterborough Investment Partnership as outlined in this report, including re-affirming the Council's commitment to the original objectives as set out in 4.1.3 below.</li> <li>3. Delegate authority to review and if necessary update the members agreement for the Peterborough Investment Partnership to the Executive Director Place and Economy in consultation with the Director of Law and Governance and the council's s.151 Officer.</li> </ol>	

### **1. ORIGIN OF REPORT**

- 1.1 This report on the Joint Venture Peterborough Investment Partnership is submitted to the Shareholder Cabinet Committee by the Cabinet Member of Finance.

### **2. PURPOSE AND REASON FOR REPORT**

- 2.1 The purpose of this report is to provide the Shareholder Cabinet Committee with a position update on one the Council's joint venture delivery companies, the Peterborough Investment Partnership (PIP).
- 2.2 This report is for Shareholder Cabinet Committee to consider under its Terms of Reference No. 3.2.2 (a), *'To monitor performance and financial delivery of the companies, partnerships and charities set out above in line with Cabinet approved business plans by means of monthly performance monitoring and scrutiny,'* and (c), *'To exercise decisions, where delegated by Cabinet, in relation to a company, partnership or charity's reserved matters'.*
- 2.3 There is an exempt annex attached to this report that is NOT FOR PUBLICATION by reason of paragraph 3 of Schedule 12A of Part 1 of the Local Government Act 1972 because it contains information relating to the financial affairs of the Peterborough Investment Partnership. The public interest test has been applied to the information contained within this exempt annex and it is considered that the need to retain the information as exempt outweighs the public interest in disclosing it.

### 3. TIMESCALES

Is this a Major Policy Item/Statutory Plan?	NO	If yes, date for Cabinet meeting	N/A
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### 4. BACKGROUND AND KEY ISSUES

#### 4.1 Background to the Peterborough Investment Partnership

4.1.1 PIP was created in five years ago in January 2015 and it is therefore worth providing a brief contextual introduction to PIP as background for this report.

4.1.2 The Council's decision to create PIP towards the end of 2014 was driven by its ambitions to be proactive in addressing key regeneration opportunities in the city (with a particular focus on the city centre) and it followed extensive legal and financial discussions and advice from Pinsent Masons and Grant Thornton over the course of 2014. Councillors will be aware some parts of the city had been – and in some cases remain – underdeveloped.

4.1.3 When PIP was being created the Council had had a number of drivers and ambitions, which it is appropriate to re-state:

- a) The Council had – and still has – an ambitious growth agenda and it wanted a long-term delivery vehicle it could work with that did not have to be recreated every time a new project or idea needed execution
- b) It wanted to drive forward the development and delivery of the Fletton Quays scheme, but it had in mind a potential pipeline of projects in line with this long-term thinking
- c) It wanted the ability for schemes to provide a catalyst for regeneration, providing the full potential range of development options from housing through to leisure through to employment space; PIP would blend these as appropriate to deliver the right scheme for a given development site
- d) The Council wanted to make a fair return based on its investments

4.1.4 Perhaps expressed at its simplest, PIP was intended to work at arms-length from the Council taking away some regeneration and development challenges that the Council wanted to address and fix them. PIP was to work across a range of challenging sites and was intentionally created with a flexible and adaptable structure in order to do so. This underlying ethos remains as valid and relevant to the city and Council today as it was then.

4.1.5 PIP is a Limited Liability Partnership (LLP), with the Council owning 50% and the other 50% being owned by its partner. As an LLP it does not have Articles of Association like a Limited Company (as is the case with Argon Direct Services), and instead is governed by a Members Agreement serving roughly the same purpose. (As five years has gone by it is recommended that this is refreshed and updated to reflect the practical operational experience of the Partnership operations, whilst preserving the core protections for the Council.)

4.1.6 PIP is managed strategically by a board, with representatives on it from both the Council and its partner. They are called 'representatives' because LLPs have these instead of the Directors a Limited Company has, but their role – and their obligations – are essentially the same. The Council's current representatives are Cllr John Holdich and Cllr Peter Hiller.

4.1.7 One of the key design principles the Council wanted to achieve when PIP was created was clear, active involvement in how PIP operates. This led to both its 50% ownership and board representation, and also the method by which the board makes decisions: all decisions must be by consensus. If either party disagrees with a proposed course, it cannot proceed. It was hoped – and this has been the case in practice – that this would lead to a culture of strong alignment in thinking to 'get the job done' and a willingness to compromise and be adaptable.

- 4.1.8 Day to day, PIP is managed by a very small internal team that appoints the necessary external advisors (such as lawyers, accountants and valuers) and technical consultants (architects, engineers, and project managers) necessary to deliver projects and further the business. This was a deliberate choice, as rather than carrying a large headcount, it can flex to bring in experts and support as the needs and priorities of the business change.
- 4.1.9 PIP delivers projects through Special Purpose Vehicle companies (SPVs). This is a normal corporate practice and is part of a risk management approach. These SPVs are 100% owned by PIP LLP, and managed in the same way as outlined above. Fletton Quays was delivered by PIP (Fletton Quays) Limited accordingly.
- 4.1.10 PIP can raise money in a number of ways for funding project delivery. Both the Council and its partner have the ability to make investments into the business (on the same terms for fairness) and like other businesses PIP has the option to raise money from banks and other institutions. Historically, it has been funded by investments from both partners. The Council's investments and returns from Fletton Quays are detailed in the exempt annex; it has had all such investment and associated interest repaid.
- 4.1.11 Medesham Homes (the Council's housing delivery partnership with Cross Keys Homes that was created after PIP) is architecturally (and deliberately) very similar to PIP's structure. The key distinction is purpose: whilst both have a development focus and both have the ability to deliver housing, Medesham's primary purpose is delivering housing of all types and especially affordable housing; where PIP delivers housing, it would normally be so-called market-housing or as part of a wider, mixed-use scheme. The two vehicles serve different, but complementary purposes, and are quite capable of working together if appropriate. For example, Medesham could deliver the housing part of a PIP scheme if both partnerships' boards agreed this was the best course of action.

## 4.2 The Fletton Quays Project

4.2.1 Fletton Quays has been PIP's first project. It is a site with a long-history, both in terms of its position in the city as the first railway station site and a key transport hub until the middle of the last century, and also in terms of a target for and long-desired regeneration site. It is not the intention to retrace this history here or the complexities that contributed to the site being long-moribund and semi-derelict, but it is worth noting some of the constraints:

- The Felixstowe to Nuneaton / Birmingham to Stansted railway line to the south
- The River Nene and some associated flood risk to the north
- Two Grade II listed derelict former railway buildings
- A range of contamination commensurate with its former use as a station
- A 132kv high-voltage cable running directly through the centre of the site
- Only one vehicular transport connection to the highway network

4.2.2 Designing a deliverable scheme that would address and mitigate against these constraints was PIP's task during 2015. The ultimate scheme would comprise a landmark Hilton hotel, a range of riverside apartments, two high-quality office developments (one of which would sympathetically incorporate the larger Listed Grade II railway shed), some small retail occupants scattered across the development and a gin and whisky distillery and visitor centre. The timeline for the scheme's development has been (in broad terms):

1. PIP created: January 2015
2. Council sells its land on Fletton Quays to PIP: July 2015
3. Submission of outline planning application: September 2015
4. Planning consent achieved: December 2015
5. Work began on the groundworks for Plot 5 (now Sand Martin House):
6. Weston begin construction of apartments of Plot 3: Autumn 2017
7. First occupants move into Plot 3: June 2019

4.2.3 It is anticipated construction of the Hilton hotel and associated apartment block on Plot 1 (the former Bridge House site) will commence in Q1 of 2020, with the new office block opposite it that will house the relocated passport office following in Q3. The planning application for Plot 4 – the Grade II listed Goods Shed – is being prepared by Nene Distillery Ltd and should be submitted later in the spring. The Council is progressing separately, as landowner outside of PIP, with the marketing of the mill site for redevelopment.

4.2.4 It is important to note that PIP has broadly three options for how it takes a scheme forward:

1. Designing a scheme, obtaining consent and potentially installing infrastructure before selling parts or the whole on to one or more third-parties to ensure physical delivery
2. Taking a consented scheme in whole or part through to delivery itself, by being the party that builds out, with a view to selling the completed assets on at that point
3. Doing the planning and construction, and retaining parts or the whole of a scheme longer-term for the income this delivers (for example, if an office was developed)

4.2.5 Which approach adopted will vary by scheme and by each partner's risk appetite at a given time. For Fletton Quays, as PIP's first scheme, it was felt that the first option was the most prudent, and it is this method – working with a range of what PIP terms 'delivery partners' – that has seen the scheme built out. For example, Bride Hall Developments were the developer for Plot 5, and will be for the new passport office on Plot 2.

### 4.3 **The Partnership's Future Work**

4.3.1 PIP took on a challenging first site in Fletton Quays to test 'proof of concept'. The site has already transformed this part of the city and will continue to do so as it completes over the next couple of years. It is not inappropriate to refer to the site as a landmark development for the city, and proof that the approach the Council has taken with PIP was successful.

4.3.2 The original rationale for PIP was not about simply Fletton Quays but rather (if that scheme worked) using the same approach whenever it was appropriate to help address regeneration and related challenges in the city. With PIP now a proven model, tried and tested, it is appropriate for the Council to revisit this original intent and extend the use of PIP for future schemes. Councillors will be aware, for example, that this is the approach being taken for regenerating Northminster.

4.3.3 Like Northminster, any future projects will come through the Council's governance in the usual way through (most likely) a CMDN prior to proceeding. Where the Council is interacting with PIP over a land asset, it will do this having taken external advice on valuations to ensure that the Council is receiving a fair and externally-verified value. Should the Council choose to make a financial investment in a future PIP scheme – which it is important to stress it is never obligated to do – then it will take appropriate advice at the time. These would, of course, be discussed in the relevant CMDN and be open to scrutiny in the usual way.

4.3.4 Each of these future schemes will provide the range of direct and indirect benefits to the Council that has emerged from Fletton Quays and is inherent in the design of the joint venture:

- a) Design influence: a strong involvement in the scheme development through the Council's equal-control participation of the Board of PIP, giving it a wider influence than is achievable through (for example) its separate role as Local Planning Authority or would be contractually practical in a development agreement.
- b) Fair access to profit: whilst the Council's involvement in PIP remains primarily for the delivery of regeneration and delivering the economic and social benefits of this to the city, it is recognised that where PIP makes a profit – as happened in Fletton Quays – the Council shares in that profit in a fair manner (with the percentage of profit received directly relating to the Council's percentage of the total investment in a scheme)
- c) Managed exposure to risk: the Council is not compelled to make investments in PIP schemes; this is a choice. The Council can choose to take more or less risk, and see

more or less of any ultimate profit. At any time, the Council's total exposure is clear and unambiguous in a given scheme.

- d) Business rates and Council Tax: like any other developer delivering schemes within the Council's unitary area, the schemes PIP delivers generate new business rates and council tax income that can support the Council's financial position.

## 5. ANTICIPATED OUTCOMES OR IMPACT

- 5.1 That the Council recognise the success of the Peterborough Investment Partnership and its first scheme, Fletton Quays, and continue to work with it to deliver further growth and investment into the city. As the Council published its investment prospectus for the city, there will be opportunities for working with PIP as a vehicle for either wholly or partly supporting the delivery of the ambition within this on key schemes (as, for example, with the Northminster area that has already been mentioned).

## 6. REASON FOR THE RECOMMENDATION

- 6.1 The Council remains committed to being a direct and proactive participant in the delivery of the city's ambitious growth agenda. PIP was created as a mechanism by which it could take that agenda forward and is now a proven success. As the Council looks at how it can continue to shape and drive the city's growth in a challenging financial climate, the benefits to continuing to use this partnership make it clear that PIP should continue to be used for taking significant regeneration schemes, like Fletton Quays and Northminster, forward.

## 7. ALTERNATIVE OPTIONS CONSIDERED

- 7.1 There are alternatives to the Council continuing to use PIP as its primary regeneration vehicle
  - a) **A new wholly-owned company:** Building on its experiences with Aragon, the Council could create a new wholly-owned company for regeneration (revisiting, perhaps, some of the intentions for Opportunity Peterborough when it was originally created), commissioning a range of activity from this new company. This has a number of disadvantages, not least that it would be starting from scratch with this approach and therefore needing to spend significant time and financial resource (at time of fiscal constraint) in building a delivery capability in an unproven model.
  - b) **A new public-private JV partnership or company:** Whilst the Council could create a new arrangement similar to PIP for future schemes, or even scheme by scheme having a different vehicle each time, this would be resource intensive and ignore the Council's original intent of being able to re-use success rather than recreate a set up each time. It was a sensible and resource-effective intent and solution to reuse PIP rather than reinvent the wheel, and this rationale remains valid today.
  - c) **Leave it to the private sector to drive growth:** The Council accepts that much growth is delivered by the private sector without its direct involvement in delivery. However, the Council has for over a decade now been an *active* participant with a deliberate agenda in shaping the city, from its investment in public realm and infrastructure, through to its commitment to the university and the wide-ranging benefits it will bring, through to its current leading role in co-ordinating a vision for Station Quarter and beyond. The Council's desire for an active role does not align to stepping back in this way.

The rationale for creating PIP remains valid; moreover, PIP has proven itself capable of leading large-scale regeneration, managing the risks and providing a financial return. For all of these reasons, the alternative options are not recommended.

## 8. IMPLICATIONS

### Financial Implications

8.1 This report provides a progress update, and as such there are no immediate financial implications.

**Legal Implications**

8.2 This report provides a progress update, and as such there are no immediate legal implications.

**Equalities Implications**

8.3 This report provides a progress update, and as such there are no equalities implications.

**Carbon Impact Assessment**

8.4 This report provides a progress update, and as such there are no direct carbon impact implications.

**9. BACKGROUND DOCUMENTS**

Used to prepare this report, in accordance with the Local Government (Access to Information) Act 1985

9.1 None.

**10. APPENDICES**

10.1 Appendix 1 - Exempt

## **APPENDIX 1**

### **Council's Return from PIP**

The Council made the following investments into PIP:

Land:£2,000,000.00

Cash and services:£1,082,916.61

Total investment:£3,082,916.61

The Council has had this investment repaid, plus £325,093 of interest. In addition, it has received a profit share distribution of £1,233,481.73. To date, this means a return on investment (ROI) of a little over 50%. The forecast income as the Fletton Quays scheme completes is expected to push this toward a 65% ROI.

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<b>SHAREHOLDER CABINET COMMITTEE</b>	<b>AGENDA ITEM No. 5</b>
<b>2 MARCH 2020</b>	<b>PUBLIC DOCUMENT</b>

Report of:	Kitran Eastman – Managing Director Peterborough Limited	
Cabinet Member(s) responsible:	Cllr Mohammed Farooq – Chairman of Peterborough Limited Board	
Contact Officer(s):	Kitran Eastman – Managing Director Peterborough Limited	Tel. 864736

## PETERBOROUGH LIMITED BUSINESS PLAN 2020 -2023

RECOMMENDATIONS	
<b>FROM:</b> <i>Peterborough Limited</i>	<b>Deadline date:</b> <i>N/A</i>
<p>It is recommended that the Shareholder Cabinet Committee:</p> <ol style="list-style-type: none"> <li>1. Recommends to Cabinet the revised Peterborough Limited Business Plan 2020-2023 as set out in Appendix 2 for approval.</li> <li>2. Considers and approves the revised Peterborough Limited Procurement Strategy and Contract Rules as set out in Appendix 3</li> <li>3. Endorses the actions set in section 4.26 to 4.34 of this report and section 6 of Appendix 2, for the Council and Peterborough Limited to work together to fulfil the ambitions of the Cabinet Reports of 17 December 2018 and 11 June 2018.</li> <li>4. Notes the financial position of Peterborough Limited as set out in this report and endorses Peterborough Ltd becoming the service provider of choice for managing and delivering the property and professional service related elements of the PCC capital programme, with a ringfence delivery fund of £15 M in 2020</li> <li>5. Considers and approves the revision of Peterborough Limited list of Reserved Matters as set out in Appendix 4.</li> </ol>	

### 1. ORIGIN OF REPORT

- 1.1. This report is presented to the Shareholder Cabinet Committee following a request from the Committee to be provided with, plans for income generation, and suggestions as to how the service could be improved following on from the first nine months of full operations.

### 2. PURPOSE AND REASON FOR REPORT

- 2.1 The purpose of this report is to seek approval from the Shareholder Cabinet Committee to recommend the revised Peterborough Limited Business Plan 2020-2023 to Cabinet (See Appendix 2), and to approve the revised Peterborough Limited Procurement Strategy and Contract Rules (See Appendix 3).
- 2.2 This report contains exempt appendices that are NOT FOR PUBLICATION by reason of paragraph 3 of Schedule 12A of Part 1 of the Local Government Act 1972 because they contain commercial information. The public interest test has been applied to the information contained within these exempt appendices and it is considered that the need to retain the information as exempt outweighs the public interest in disclosing it.

### 3. **TIMESCALE**

Is this a Major Policy Item/Statutory Plan?	<b>NO</b>	If yes, date for Cabinet meeting	<b>N/A</b>
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### 4. **BACKGROUND AND KEY ISSUES**

- 4.1 Peterborough Limited is wholly owned by Peterborough City Council and was formed as a Teckal compliant Local Authority Trading Company (LATCo). This means that the company is a separate legal entity to the Council but does operate with a Council appointed board and in accordance with Council guidance and input on strategic matters or important issues of policy.
- 4.2 In February 2019 Peterborough Limited operating as Aragon Direct Services commenced delivery of certain services for the Council. Over the following months more services were transferred into the company. During this time there have been a number of improvements in the quality of the services, such as hot jet pavement washing in the city centre and the introduction of a dedicated Waste and Recycling Education Officer.
- 4.3 During the Company's first year of operation it concentrated on providing a smooth transition of operational services, getting under the skin of the finances of the operations and its support services and building a solid foundation for future growth. As anticipated before the company was operational, a review of the position of the new company would be needed once the state of play was fully understood. This report and Appendix 2, 3 and 4 are based on the updated information now available and build upon the previous business plan and the operational and governance arrangements which have been put in place.
- 4.4 This report and associated appendix set out:
- The financial position of Peterborough Limited
  - The company's Business Plan
  - The revision to Peterborough Limited's Procurement Strategy and Contract Rules
  - A Proposed revision to Peterborough Limited list of Reserved Matters
  - Key support needed from the Council for Peterborough Limited
- 4.5 Consider the revision to the Peterborough Limited list of Reserved Matters - As set out in Appendix 4, it is recommended that some are made to the reserved matters to enable Peterborough Limited to update what work/tasks the Company can carry out without the need to seek approval from The Councils Cabinet or Sub Cabinet shareholder Committee. The changes remove items which would affect the ability to expand commercial customer base if opportunities arose, but still retains suitable protection for the Council.

### 5. **CONSULTATION**

- 5.1 No consultation is required at this time

### 6. **ANTICIPATED OUTCOMES OR IMPACT**

- 6.1 If approved, implementing the direction of travel in this report will i) move the core services delivery to a funded model, ii) Enable the company to create a solid foundation for running services of any kind iii) Start the role out of commercial services, based in areas of current skills.

### 7. **REASON FOR THE RECOMMENDATION**

- 7.1 It is recommended that the Shareholder Cabinet Committee approves the revised Peterborough Limited Business Plan 2020-2023 as set out in Appendix 2 to enable the Company to plan its active over the next three years.
- 7.2 It is recommended that the Shareholder Cabinet Committee approves the revised Peterborough Limited Procurement Strategy and Contract Rules as set out in Appendix 3 to ensure they reflect the agile more commercial nature which is expected within the vision set by the Council.

- 7.3 It is recommended that the Shareholder Cabinet Committee endorses the actions set in section 4.9 to 4.13 of this report and section 6 of Appendix 2. This will give a clear focus for the Council and Peterborough Limited to work together to fulfil the ambitions of the Cabinet Report of 17 December 2018 and 11 June 2018.
- 7.4 It is recommended that the Shareholder Cabinet Committee note the financial position of Peterborough Limited and endorses Peterborough Ltd becoming the service provider of choice for managing and delivering the property and professional service related elements to the PCC capital programme, with a ringfenced delivery fund of £15 M each year. This will enable Peterborough Ltd to move to a sustainable financial footing by September 2020 and enable focus to be moved to increasing commercialisation.
- 7.5 It is recommended that the Shareholder Cabinet Committee Considers and approves the revision to Peterborough Limited list of Reserved Matters as set out in Appendix 4. This will improve the ability of the company to act more commercially while still retaining the appropriate level of control for the Council.

## **8. ALTERNATIVE OPTIONS CONSIDERED**

- 8.1 It was considered as to whether the business plan which was created before Peterborough Limited become an active company should be retained in its entirety. That business plan was, however, as was stated at the time based on limited information as the previous contractor would not release its commercially sensitive financial information. It was considered that a review of the position of the new company would be needed once the state of play was fully understood. This report and Appendix 2 and 3 are based on the updated information now available.
- 8.2 It was considered as to whether the Peterborough Limited Procurement Strategy and Contract Rules which were created before Peterborough Limited became an active company should be retained. Considering the ambitions for the Company and the need for the Company to provide rapid responses to the Councils needs, a more streamlined business focused approach which still meet the obligations of the Public Contracts Regulations 2015, was believed to be essential.
- 8.3 During the creation of the revised business plan many potential options were reviewed to ascertain the best route to achieve the ambitions which the Council has for Peterborough Ltd. Those which are contained in Appendix 2 and 3 represent the best route to success.

## **9. IMPLICATIONS**

### Financial Implications

- 9.1 Set out in the exempt appendix.

### Legal Implications

- 9.3 Peterborough Limited is a “Teckal” compliant company (advice is detailed in KEY/11JUN18/04 – Link found in background documents) and thus exemption from needing to compete with other companies under procurement legislation for works and services delivered to the Council.
- 9.4 Peterborough Limited is a “Teckal” compliant company which gives it the ability to trade commercially up to 20% of its turnover, over a three year period. As such at least 80% of the company’s income must come from the Council.
- 9.5 Peterborough Limited is a contracting authority for the purposes of the Public Contracts Regulations 2015 – a body governed by public law. The Company is therefore bound to comply with these Regulations.

### Equalities Implications

- 9.6 There are no negative equalities implications.

### HR Implications

- 9.7 None at this time

## **10. BACKGROUND DOCUMENTS**

10.1 Cabinet Meeting, 11<sup>th</sup> June 2018. Item 6

<https://democracy.peterborough.gov.uk/ieListDocuments.aspx?CId=116&MId=4142>

10.2 Cabinet Meeting, 17<sup>th</sup> December 2018. Item 4.

<https://democracy.peterborough.gov.uk/ieListDocuments.aspx?CId=116&MId=4214>

## **11. APPENDICES**

- Appendix 1 - EXEMPT Section Not for Publication
- Appendix 2 – EXEMPT Peterborough Limited Business Plan 2020-2023
- Appendix 3 - Peterborough Limited Procurement Strategy and Contract Rules
- Appendix 4 - Revised Peterborough Limited List of Reserved Matters

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A  
of the Local Government Act 1972.

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# **PETERBOROUGH LIMITED**

**(trading as Aragon Direct Services)**

## **Procurement Strategy**

**and**

## **Contract Rules**

**TBC 2020**



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## PART A: PROCUREMENT STRATEGY

### Our Purpose

Peterborough Limited as a Local Authority Trading Company (LATCo) has been formed to:

- provide Direct Services (initially Waste, Recycling, Street Cleansing, Parks, Trees, Grounds, Building Cleaning, Property Maintenance and Professional Service and Passenger Transport) for Peterborough City Council;
- increase the level of profitable external business within permissible legal limits;
- act in a commercial fashion when providing service for the Council as well as providing services to local businesses and individuals; and,
- promote, support and give back to Peterborough.

Key to fulfilling our mandate will be the way that the company procures its materials, works and services. Peterborough Limited is forecast to spend in the region of £4 million a year on works, goods and services and as the company grows this will increase. Procuring and contracting in the most efficient and effective way is fundamental for business growth and delivering results.

### Procurement Objectives

The Company is committed to maximising the value it achieves from its expenditure, and reducing the time and cost of procuring through good planning and efficient processes. The Company also works to get the best quality and cost balance from its procurements. To do this we:

- **Plan** – We plan and schedule procurements, investigate where frameworks may be available, and where needed carry out soft market testing.

#### **Why?** –

- Our planning enables us find the best procurement route, balancing the cost of procurement against the expected improvements in value which would be achievable
- Our planning ensures that we have the correct resources in place at the correct time, to smooth our work load where possible
- Our planning enables us to understand the impact of additional or ad-hoc urgent/important work which arises and respond accordingly
- Our planning enables us to effectively manage risk

- **Act transparently** – We will be open and transparent in our dealings with potential suppliers, treating them equitably, and keeping them updated. We will advertise our contract opportunities and awards above £25,000 on “Contract Finder” (<https://www.gov.uk/contracts-finder>)

#### **Why?** –

- Transparency and openness mean that we build trust with suppliers and enhance our reputation as a good company to work with; and,
- Transparency and openness mean that we encourage increased competition

- **Nurture and encourage innovation** – We keep updated with new ways of working and new thinking, as well as changes in our sector. We openly look for new approaches and how to trial them.

#### **Why?** –

- Commitment to innovation means we are open to new ideas and can take advantage early of changes to markets;
- Commitment to innovation means we build our reputation; and,
- Commitment to innovation means we create a flexible business.

- **Deliver in budget** – We work within the funding which we have, assuring the best quality for the money which we can spend. We look at whole system costs to ensure additional costs are not unintentionally moved to another area, and that additional benefits are fully realised, and we deliver the most economically advantageous tender assessed on the basis of price and quality.

**Why? –**

- We deliver in budget as we are aware that overspending in one area will affect what can be delivered in another
- We deliver in budget as we are aware that significant parts of our funding are public money, and are a finite resource
- **Act locally** – We work with the local market and local suppliers. We review how work is packaged to enable local firms large and small to bid for work with us. We will be a part of the local business community to ensure local firms know who we are and how and where we may be able to work together

**Why? –**

- Localism means we undertake to embrace and regenerate the local economy through the use of locally based small/medium enterprises;
- Localism means we develop a range of suppliers and providers that will contribute to the regeneration of the local economy;
- Localism means that we work to support money and jobs staying in Peterborough; and,
- Localism means being part of the community we serve.

**Procurement Governance**

The Company is a contracting authority for the purpose of the Public Contracts Regulations 2015 – a body governed by public law. The Company is therefore bound to comply with these Regulations. There is a requirement to protect the company by robust compliance. This means we will:

- Ensure that risk is appropriately managed and that all procurement remains legal, ethical and transparent and embodies Peterborough Limited vision and priorities;
- Use ICT to reduce the cost, and improve the efficiency and effectiveness of all aspects of the procurement process for Peterborough Limited its suppliers and contractors;
- Continuously improve the accuracy, availability, appropriateness and accessibility of procurement related management information; and,
- Appropriately audit to ensure compliance with our process and that feedback is given.

**Review**

This document will be subject to formal review by Peterborough Limited at least annually by April each year to ensure their continued effectiveness and appropriateness.

## **PART B: Contract Rules**

### **Introduction**

These Rules apply to contracts or agreements with external organisations where the Company pays for:

- goods and/or services;
- works of any kind;
- hire, rental or lease of equipment.

The Rules also apply to any contracts made using:

- framework agreements;
- Constructionline (the UK register of pre-qualified construction services); or recognised pre-qualified lists.

For high value contracts (services over £182,000 and works over £4.5 million), employees must comply with applicable legislation which will override these Rules.

If additional advice might be required, you may seek advice from the Commercial Team about the process which needs to be followed, including seek legal and procurement advice as required.

It is recognised that all layers of the organisation need to work in accordance with this document and its principles.

### **Employees' responsibilities**

All employees must:

- Comply with the Company's Financial Regulations and in particular, declare any conflicts of interest in a potential contract or with bidders;
- Declare any gifts or hospitality received either before, during or after the procurement;
- Report any gifts or hospitality which may have improper motive to the Commercial Team;
- Ensure they have the appropriate authorisation for the contract;
- Not disclose any confidential information to unauthorised persons;
- Obtain the best value for money achievable;
- Be fair to all bidders; and,
- Ensure that all equality issues are addressed (carrying out an equality impact assessment where required).

### **Executive and Senior Manager Responsibilities**

Executive and Senior Managers must:

- Ensure that Employees understand and comply with these Rules and the Financial Regulations;
- Ensure that Employees inform the Commercial Team of all contracts awarded so that it can maintain an accurate and up-to date register of all Company contracts; and,
- Check that they have an appropriate authorisation, or have put in place an appropriate delegated authorisation, before any contract is awarded and commenced.

By following these Contract Rules, Employees will:

- ensure that the Company's procurements are legal;
- deter corruption;
- achieve value for money; and,
- show that the Company is accountable for its expenditure.

## Section 1 Beginning the Process

Before beginning any purchase go through each of the steps in this section. It will help you determine how to apply the remainder of these rules.

### **Before contracting or purchasing**

Before any purchase you must take the following essential steps to ensure that you are getting best value for the Company:

- Step 1: Calculate the total contract value;
- Step 2: Check if the company has any relevant corporate contracts;
- Step 3: Research the market and contract frameworks proportional to the level of expenditure;
- Step 4: Consider Local companies; and,
- Step 5: Consider what other advice/assistance you may need.

These steps are explored in greater detail below.

#### **Step 1: Calculating the total contract value**

The contract value determines the process you must follow under these Rules. You can calculate the total estimated value of each contract according to a simple formula:

$$\text{Annual value} \times (\text{number of years} + \text{extension period in years}) = \text{total value}$$

- **Annual value** means: The maximum amount the company will pay in a given year for the goods or service
- **Number of years** means: The length of the initial contract in years
- **Extension period in years** means: The number of years the contract can be extended for after its initial contract period
- **Total value** means: The maximum amount that the company will pay for the goods or service

The calculation means that:

- where the contract is for a fixed period, the value is the total price to be paid or which might be paid during the whole of the contract period, including any possible extensions to the contract period;
- where a number of goods or services contracts are to be entered into, the estimated value of each contract shall be the total value of the payment which the Company expects to pay under each of those contracts;
- where a number of works contracts are to be entered into, the estimated value for carrying out the works shall be total value of the payment which the Company expects to give under all the contracts for carrying out the works.

The calculation may be subject to the following variance:

- where the contract is for services has been provided over an indefinite period the value is obtained by multiplying the monthly payment under the contract by 48;
- where a service contract includes one or more options the estimated value of the contract shall be determined by calculating the highest possible payment which could be given under the contract;
- where the contract is a single contract comprising services, supplies or works in combination, the value is calculated according to the price of the largest element of the contract.

Some contracts may not be for a cash value. Where this is the case please contact the company's legal adviser, via the Commercial Team, who will assist you in calculating the contract value.

Please note that you should not enter into a series of separate lower value contracts with the intention of avoiding these Contract Rules.

Once the contract value has been calculated move on to the next step

#### **Step 2: Check for Corporate contracts**

The Company has entered into a number of partnership arrangements for either;

- direct delivery of internal services (e.g. IT with Serco); or

- centralised procurement of other bought in services (e.g. Agency staff etc.).

These contracts can create an exclusive arrangement between the Company and our partners for the services those partners provide. This means that you may be obliged to use these service providers for the services they deliver. These are referred to throughout these Rules as the “corporate contracts”. These contracts even if not exclusive may offer you a quicker and less resource intensive way to receive your goods and services

Failure to use the corporate contracts may result in the Company being in breach of contract and is likely to incur financial penalties for the Company.

Please contact Commercial Team for advice on our corporate contracts.

If there are no corporate contracts move on to the next step.

### **Step 3: Research the market and look at frameworks**

Researching the market is an important tool in identifying potential cost savings to the Company. The level of research needs to be balanced against the Contract value. The larger the contract the more research will be needed. Small purchases and low value contracts should be subject to sense checking, whereas large procurements may need soft market testing.

You are permitted to consult potential suppliers prior to starting your purchase in general terms about the nature, level and standard of the supply, contract packaging and other relevant matters provided. You must, however not:

- prejudice any potential bidder; or
- favour any potential bidder so as to distort competition.

The Company can access a number of procurement frameworks. A procurement framework is an agreement put in place with a provider or range of providers that enables buyers to place orders for services, often without running lengthy full tendering exercises see Part D for more detail.

The Commercial Team can assist you with carrying out effective market research and finding out about frameworks.

### **Step 4: Consider local companies**

You should consider if you tender in smaller lots as a way to encourage bids from small to medium enterprises (SME's), in particular to target and stimulate local business.

In some cases, it may be preferable to split the contract in smaller lots to allow local businesses the opportunity to tender for the work. Whilst smaller contracts may encourage local businesses to quote or tender, you cannot limit the process to local businesses alone as this would be to breach the requirement to be fair in your tendering process. You can, however, promote or advertise any opportunity to local business.

### **Step 5: Consider what other advice/assistance you may need:**

- Does the contract involve land or buildings e.g. is a lease or licence required? If so, contact the Commercial Team who will ensure that the company's legal advisors are engaged as needed
- Are any employees affected by the contract? If so contact the Commercial Team who will ensure the company's Human Resources advisors are engaged as needed ;
- Is equipment, plant or machinery to be transferred under the contract? If so, consider Financial Regulations;
- Who has the correct delegated authority to authorise the contract?
- Are there any equality issues within the contract or is an equality impact assessment required?
- Are there any queries about how to calculate the contract value ? If so, contact the Commercial Team .

### **Other considerations**

Please consider each of the following before beginning any tendering exercise:

- The need for the purchase
  - Is the cost of purchasing outweighed by the benefits received?
  - Have you considered other alternatives to your purchase?
- Risks arising

- Consider any risks associated with the purchase and how they are to be managed. Is this something that needs to be added to the company risk register?
- Have you factored in critical support and maintenance arrangements (i.e. whole life costing) if appropriate to avoid later negotiations? This is particularly important if your purchase involves any vehicles, land or buildings.
- Process
  - Make sure that you have selected the most suitable procurement method for the purchase i.e.
    - through the use of a corporate contract; or
    - sourcing through a framework.
- Governance
  - Do you have the available budget or confirmed additional revenue to cover the cost?
  - Do you have the appropriate approval for the expenditure in line with the Contract Rules?
  - Have you notified the Commercial Team if the total value of the contract is above the relevant EU threshold (Approximately £180,000 for goods and services and £4.4 million for works)?

#### **Key practical points**

- Factor into your timetable sufficient time to prepare the any specification's or tender documents especially the evaluation criteria in advance of beginning process.
- Consider the essential elements of your contract and ensure that these are included in your conditions of contract.
- Ensure that your contract budgets for the whole life costs of the contract.

## Section 2 Process According to Value

### Part A: Contracts or one off purchases below £10,000

This section sets out the requirements that employees must follow when purchasing works, goods or services where the total value of the contract is below £10,000.

#### Getting a quote

1. For contracts or one-off purchases for works, goods, or services with an estimated value below £10,000, you must either:
  - Get a quote under one of the Company's corporate contracts (see Section 1 above), or
  - Use a framework agreement to place an order with a contractor under that framework (see Part D below) or
  - Get a verbal or written quote from other relevant suppliers.
2. Employees should note that they are required to request a quote from a corporate contract where one exists for the supply of those services.
3. You should consider the following information as essential to include in any quote:
  - the specification of the goods, services or works to be supplied;
  - payment provisions in line with Financial Regulations;
  - the Company's termination rights; and,
  - the key time or times when the contract is to be performed.

#### Keeping a record

4. The employee must be able to prove value for money, as such there must be either a written record of what quotation were received either via copy of the quote (letter, email etc.) or a record of verbal quotes or websites checked by the employee.

#### Proceeding with quote

5. The decision to award the contract and any written terms must be agreed in writing in line with the approval levels in Appendix 2
6. You must have a purchase order in line with Financial Regulations. This may require you to set up the supplier on the Company's accounting system in accordance with Financial Regulations.

## Part B: Contracts between £10,000 and £25,000

This section sets out the requirements that employees must follow when purchasing works, goods or services where the total value of the contract is between £10,000 and £25,000.

1. In the case of contracts for works, goods or services with an estimated value over £10,000 but not exceeding £25,000 you **must** first consider:
  - Whether you must procure those services through an existing corporate contract (see section 1 above)
  - Whether there is a suitable framework (see below), or
  - Whether you have to source those services on the open market.
2. If a corporate contractor does supply those services, you must instruct them directly.
3. You should consider whether to ask for assistance from a procurement specialist even for such low value contracts as they may be aware of ways in which you can maximise resources to achieve best value. The Commercial Team can advise and enable this.

### Obtaining quotations

4. If you are sourcing those services on the open market, you must obtain at least **2** written quotes and select the provider that offers the best value for money.
5. There is no specific requirement to advertise a contract between £10,000 and £25,000, however in some case it may lead to better value being obtained especially when competition in the market is strong, or the number of potential suppliers is high. Contract opportunities can be advertised on "Contract Finder" (<https://www.gov.uk/contracts-finder>).
6. Although quotations do not require a formal process you must ensure that your request for quotes is made in writing and must set out a simple specification for your purchase. You should also state the basis upon which you will select the successful quote.
7. In some cases you may already be aware of suppliers possessing a particular type of goods or service or works expertise that you are seeking. You may seek 2 quotations from any suppliers known to you but you must ensure that:
  - you do not use these suppliers in preference to any corporate contracts;
  - you do not discriminate in your selection of any particular supplier.

### Using a framework agreement (if applicable)

8. A framework agreement comprises pre-assessed suppliers. Use of a framework therefore simplifies the tendering process and offers considerable cost reduction. Before opting to use a framework agreement you should also consider whether there is benefit in re-packaging the tender to enable local businesses to compete for the contract.
9. A framework agreement will be suitable where you are contracting for services, goods or works
  - commonly available
  - frequently used
10. A framework agreement may not be suitable for your supply where it involves:
  - particularly complex or risky procurements;
  - one-off procurements where the product or service requires a specialism;
  - procurements which are looking for particularly novel solutions;
  - where the contract length would be longer than four years;
11. Before using any framework agreement please ensure that the Company was identified as a potential purchaser in the OJEU notice. Advice on this can be sought from the Commercial Team.

### Waivers and exceptions

12. If 2 quotes cannot be obtained due to lack of suitable contractors, the employee **must** complete a waiver report prior to awarding any contract. This is to obtain authority to be exempted from this Rule. For further information please see Section 4 of these Rules.

**Keeping a record**

13. The employee must be able to prove value for money, as such there must be a written record of the what quotation were received either via copy of the quote (letter, email etc.) or a copy of the contract
14. If you select any supplier who is not the cheapest quote, you must record your reasons for selection in writing.

**Proceeding with quote**

15. The decision to award the contract and any written terms must be agreed in writing in line with the approval levels in Appendix 2.
16. You must have a purchase order in line with Financial Regulations. This may require you to set up the supplier on the Company's accounting system in accordance with Financial Regulations.

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**Part C: Contracts between £25,000 and £100,000**

This section sets out the requirements that employees must follow when purchasing works, goods or services where the total value of the contract is between £25,000 and £100,000.

1. Where the value of the contract is between £25,000 and £100,000, you **must** first consider:
  - Whether you must procure those services through an existing corporate contract (see section 1 above)
  - Whether there is a suitable framework, (see below) or
  - Whether you have to source those services on the open market.
2. If a corporate contractor does supply those services, you must instruct them directly.
3. You should consider whether to ask for assistance a procurement specialist even for such low value contracts as they may be aware of ways in which you can maximise resources to achieve best value. The Commercial Team can advise and enable this.

**Obtaining quotations**

4. If you are sourcing those services on the open market, you must obtain at least **3** written quotes and select the provider that offers the best value for money
5. Contract opportunities and awards above £25,000 must be advised on the Government on “Contract Finder” portal (<https://www.gov.uk/contracts-finder>). This can lead to better value being obtained especially when competition in the market is strong, or the number of potential suppliers is high
6. Advertisements can also be placed on the Company’s website, in the trade press and on websites specifically set up for contract advertisements (i.e. Contracts Finder). The Commercial Team can assist you with this.
7. Employees should draft an Invitation to Quote comprising of the following:
  - Bidders’ information – This will let bidders know the process being used, key timescale etc. ;
  - Specification of the goods, services or works being purchased - details of the goods, services or works to be supplied;
  - Award criteria and procedure;
  - Tendering and canvassing certificate;
  - Contract terms and conditions which will include:
    - payment provisions;
    - the Company’s rights to terminate the contract;
    - the key time or times when the contract is to be performed;

The detail included in the invitation to quote should be relevant to the contract value and the risk.

8. The Invitation to Quotation must state that:
  - the Company is not bound to accept a quotation and;
  - late submissions or submissions which do not comply with the Company’s award procedure will be rejected.
9. Due to the increased legal risks, the employee must ensure that the company’s legal representative is consulted before an Invitation to Quotation is issued where the purchase involves one or more of the following:
  - the transfer of non-land assets;
  - the transfer of staff;
  - the transfer or lease of land; or,
  - potential state aid issues.

The Commercial Team can advise on engaging with the legal advisor.

10. In some cases you may already be aware of suppliers possessing a particular type of goods or service or works expertise that you are seeking. You may seek 3 quotations from any suppliers known to you but you must ensure that:
  - you do not use these suppliers in preference to any corporate contracts;
  - you do not discriminate in your selection of any particular supplier.

#### **Using a framework agreement (if applicable)**

11. A framework agreement comprises pre-assessed suppliers. Use of a framework therefore simplifies the tendering process and offers considerable cost reduction. Before opting to use a framework agreement you should also consider whether there is benefit in re-packaging the tender to enable local businesses to compete for the contract.
12. A framework agreement will be suitable where you are contracting for services, goods or works
  - commonly available
  - frequently used
13. A framework agreement may not be suitable for your supply where it involves:
  - particularly complex or risky procurements;
  - one-off procurements where the product or service requires a specialism;
  - procurements which are looking for particularly novel solutions;
  - where the contract length would be longer than four years;
14. Before using any framework agreement please ensure that the Company was identified as a potential purchaser in the OJEU notice. Advice on this can be sought from the Commercial Team.

#### **Waivers and exceptions**

15. If 3 quotes cannot be obtained due to lack of suitable contractors, the employee **must** complete a waiver report prior to awarding any contract. This is to obtain authority to be exempted from this Rule. For further information please see Section 4 of these Rules.

#### **Keeping a record**

16. The employee must be able to prove value for money, as such there must be a written record of the what quotation were received either via copy of the quote (letter, email etc.) or a copy of the contract
17. If you select any supplier who is not the cheapest quote, you must record your reasons for selection in writing.

#### **Proceeding with quote**

18. The decision to award the contract and any written terms must be agreed in writing in line with the authorisation levels in Appendix 2
19. You must have a purchase order in line with Financial Regulations. This may require you to set up the supplier on the Company's accounting system in accordance with Financial Regulations.

**Part D: Contracts between £100,000 and EU levels**

Contracts in this range of values are subject to the Company's procedures as set out in this section. E-procurement is the preferred method of tendering and use of framework agreements is likely to be more common. See Parts F and D for more details. You are therefore very likely to need assistance. The Commercial Team can advise and engage with a procurement specialist to aid you and an early request for assistance is recommended.

**Prior considerations**

21. In the case of contracts for works, goods or services with an estimated value between £100,000 and the EU threshold you must first consider:
  - Whether you must procure those services through an existing corporate contract (see section 1 above)
  - Whether there is a suitable framework, (see Part D below) or
  - Whether you have to source those services on the open market.
22. If a corporate contractor does supply those services, you must instruct them directly.
23. If you are sourcing those services on the open market, you must tender for a supplier using the e-procurement system.
24. You should consider whether to ask for assistance from a procurement specialist as they may be aware of ways in which you can maximise resources to achieve best value. The Commercial Team can advise and enable this.

**Using a framework agreement (if applicable)**

25. A framework agreement comprises pre-assessed suppliers. Use of a framework therefore simplifies the tendering process and offers considerable cost reduction. Before opting to use a framework agreement you should also consider whether there is benefit in re-packaging the tender to enable local businesses to compete for the contract.
26. A framework agreement will be suitable where you are contracting for services, goods or works
  - commonly available
  - frequently used
27. A framework agreement may not be suitable for your supply where it involves:
  - particularly complex or risky procurements;
  - one-off procurements where the product or service requires a specialism;
  - procurements which are looking for particularly novel solutions;
  - where the contract length would be longer than four years;
28. Before using any framework agreement please ensure that the Company was identified as a potential purchaser in the OJEU notice. Advice on this can be sought from the Commercial Team.

**Awarding a call-off**

29. If you decide on a framework agreement you must call off your individual contract under the framework either by;
  - placing a direct order/direct award or
  - holding a mini competition
30. The method of call-off will depend on the terms and conditions of the framework. Some larger frameworks are divided into a number of lots, which may have been set up to enable direct ordering whilst others are designed to provide more bespoke solutions with the terms, conditions and solutions being refined through mini competition.
31. You cannot make any substantive changes to the specification or the terms and conditions of the framework, so you must follow its terms in order to procure under the framework.
32. Employees who have assessed that they do not want to award through a framework agreement are required to carry out a formal quotation process. The Company's preferred method is e-procurement.

**Obtaining quotations**

33. If you are sourcing those services on the open market, you must obtain at least 3 written quotes and select the provider that offers the best value for money
34. Contract opportunities and awards above £25,000 must be advised on the Government on “Contract Finder” portal ([www.gov.uk/contracts-finder](http://www.gov.uk/contracts-finder)).
35. You must ensure an appropriate level of advertising having regard to:
- The subject matter of the contract;
  - The value of the contract;
  - The size and structure of the market and common commercial practices in that market;
  - The location where the goods or services will be delivered.
36. The greater the interest of the contract to potential bidders, the wider should be the coverage of the advertisement. Depending on the above criteria, advertisements could be placed on the Company’s website, in the trade or local press, on websites specifically set up for contract advertisements (e.g. Contracts Finder) or, where the contract borders on the EU threshold, in the Official Journal of the European Union (OJEU). The Commercial Team can assist you with this.
37. The employee must ensure that the Invitation to Quotation contains the following:
- a. Bidders’ information  
This will let bidders know the process being used, key timescale and any other relevant information to enable them to submit a compliant quote
  - b. Specification of the goods, services or works being purchased - details of the goods, services or works to be supplied; the key time or times when the contract is to be performed
  - c. Award criteria and procedure;
  - d. Tendering and canvassing certificate;
  - e. Contract terms and conditions which will include payment provisions;
  - f. The Company’s rights to terminate the contract;

The level of detail included in the Invitation to Quotation should be relevant to the contract value and the risk.

38. The Invitation to Quotation must state that:
- the Company is not bound to accept a quotation and;
  - late submissions or submissions which do not comply with the Company’s award procedure will be rejected.
39. The employee must ensure that the company’s legal representative is consulted before an Invitation to Quotation is issued where the purchase involves one or more of the following:
- the transfer of non-land assets;
  - the transfer of staff;
  - the transfer or lease of land; or,
  - potential state aid issues.

The Commercial Team can advise on engaging with the legal advisor

40. In some cases you may already be aware of suppliers possessing a particular type of goods or service or works expertise that you are seeking. You may seek 3 quotations from any suppliers known to you but you must ensure that:
- you do not use these suppliers in preference to any corporate contracts;
  - you do not discriminate in your selection of any particular supplier.

#### Waivers and exceptions

41. Where there is a lack of suitable contractors on the market to merit a tendering process or having tender the number of bids received does not reach the normal required level, you must complete a waiver report. This is to obtain authority to be exempted from this Rule. For further information please see Section 4 of these Rules.

**Keeping a record**

42. The employee must be able to prove value for money, as such there must be a written record of the what quotation were received either via copy of the quote (letter, email etc.) or a copy of the contract
43. If you select any supplier who is not the cheapest quote, you must record your reasons for selection in writing.

**Proceeding with quote**

44. The decision to award the contract and any written terms must be agreed in writing in line with the authorisation levels in Appendix 2
45. You must have a purchase order in line with Financial Regulations. This may require you to set up the supplier on the Company's accounting system in accordance with Financial Regulations.

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**Part E: Contracts above EU values**

If you want to award a contract in this range of values you must consult the Commercial Team who will engage with procurement and legal specialists for you. This process is governed by statutory rules and European Directives that are too extensive to set out in these Rules. You will also need to consider

- Whether you must procure those services through an existing corporate contract (see section 1 above)
- Whether there is a suitable framework, (see below) or
- Whether you have to source those services on the open market, via an OJEU tender

The following Part is intended as summary guidance only to procuring contracts above EU values.

It is important to note that the statutory rules supersede these Rules and contain their own waivers.

No waiver can be granted by Employees or Company Executive Managers for waiver from the EU process unless the waiver is permitted by the statutory rules.

**Identifying potential candidates**

1. Contracts which are covered by the Regulations must be the subject of a 'call for competition' by publishing a contract notice in the Official Journal of the European Union ("OJEU").
2. In most cases the time allowed for responses or tenders must be no less than a set period, although some prescribed periods can be reduced where:
  - A prior information notice (PIN) was published sufficiently far in advance of the procurement or when accelerated procedures are used;
  - If the OJEU notice was submitted electronically in accordance with the requirements set out on the SIMAP website (see above);
  - Where authorities offer full and unrestricted access to tender documents (in accordance with specific requirements set out in the EU procurement regulations).

**Process**

3. The Public Contracts Regulations 2015 (which can be viewed on the Cabinet Office website) set out schedules which include the types of works, services that are covered by the Regulations. These Regulations will apply in the following circumstances;
  - (i) For a contract relating to works with a total value of £4,733,252<sup>1</sup> and over;
  - (ii) For a contract relating to the supply of goods with a total value of £189,330<sup>2</sup> and over;
  - (iii) For a contract relating to services with a total value of £189,330 and over. However, for services falling within Schedule 3 of the Regulations, the full Regulations will apply where the total contract value is over 750,000 euros (£663,540<sup>3</sup>).
4. It is important to note that as the thresholds stated are subject to change every two years, you must check the applicable limits for your proposed contract with the Commercial Team.
5. Where the total value of your contract is below the thresholds, this does not necessarily mean that you will be totally exempt from the Regulations. Please contact the Commercial Team for assistance.
6. For contracts which are above the thresholds set out in this section, a standardised Pre-Qualification Questionnaire (PQQ) may be used when shortlisting potential bidders and/or assessing their financial and economic standing, technical capacity and ability and previous experience. Contact the Commercial Team for further advice.

**Using a framework agreement (if applicable)**

<sup>1</sup> As of 1/1/2020. Level is this document to be considers updated as and when EU threshold levels are updated

<sup>2</sup> As of 1/1/2020. Level is this document to be considers updated as and when EU threshold levels are updated

<sup>3</sup> As of 1/1/2020. Level is this document to be considers updated as and when EU threshold levels are updated

46. A framework agreement comprises pre-assessed suppliers. Use of a framework therefore simplifies the tendering process and offers considerable cost reduction. Before opting to use a framework agreement you should also consider whether there is benefit in re-packaging the tender to enable local businesses to compete for the contract.
47. A framework agreement will be suitable where you are contracting for services, goods or works
  - commonly available
  - frequently used
48. A framework agreement may not be suitable for your supply where it involves:
  - particularly complex or risky procurements;
  - one-off procurements where the product or service requires a specialism;
  - procurements which are looking for particularly novel solutions;
  - where the contract length would be longer than four years;
49. Before using any framework agreement please ensure that the Company was identified as a potential purchaser in the OJEU notice. Advice on this can be sought from the Commercial Team.

#### Choice of procurement procedure

7. Four award procedures are provided for under the EU procurement regulations:
  - **Open Procedure** - All those interested may respond to the advertisement in the OJEU by tendering for the contract.
  - **Restricted Procedure** - A selection is made by use of a pre-qualification questionnaire (PQQ) of those who respond to the advertisement and only those selected are invited to submit a tender for the contract. This allows purchasers to avoid having to deal with an overwhelmingly large number of tenders.
  - **Competitive Dialogue Procedure** - Following an OJEU notice and a selection process, the Company enters into dialogue meetings with several bidders, to develop one or more suitable solutions for its requirements. During this process bidders are deselected at various stages before final tenders are called for. (A multi-stage and complex process which should not be used where Open or Restricted procedures could have been used)
  - **Negotiated Procedure** -The Company may select one or more persons with whom to negotiate the terms of the contract. An advertisement in the OJEU is usually required but, in certain circumstances, described in the Regulations, the contract does not have to be advertised in the OJEU. An example is when, for technical or artistic reasons or because of the protection of exclusive rights, only a particular person can carry out the contract. This procedure is used only exceptionally
8. Public authorities have a free choice between the open and restricted procedures. The competitive dialogue procedure is available where the contract cannot be awarded under open or restricted procedure. The negotiated procedure may only be used in the limited circumstances described in the EU procurement regulations.
9. Under restricted procedures, competitive dialogue and competitive negotiated procedures (those where a call for competition is required by advertising in the OJEU) there must be a sufficient number of participants in the process to ensure genuine competition, with a minimum of five for restricted procedures and three for competitive dialogue and negotiated procedures.

#### Preparing the tender documents

10. To complete the tender process you must prepare the following documents:
  - An Invitation to Tender including the evaluation criteria;
  - Specification of goods, services or works to be supplied;
  - A tendering and canvassing certificate;
  - Parent company guarantee or performance bond (where appropriate);
  - Standard conditions of contract.

11. You are required to complete preparation of your paperwork before the tendering process begins. Whilst some of the paperwork can be standardised it is important that the company's legal adviser and the Commercial Team work with you to devise award criteria based upon your specification for the services that are being procured

#### **Preparing the evaluation criteria**

12. Before starting the tender process, you must define the evaluation criteria. This details how the bids will be evaluated. It is essential that the methodology for the award is set out in the Invitation to Tender.
13. You must apply the relevant British and any equivalent European or international standards to define the required quality of the goods or services being purchased.
14. The evaluation criteria must be relevant to the services, goods or works being purchased and must be designed to secure value for money for the Company.
15. The evaluation criteria for award of the contract must be based on:
  - the most economically advantageous (MEAT) bid (in other words, where quality, performance or improvements are as important as price); or
  - the lowest price (where price is the only factor).
16. If the most economically advantageous criteria are to be used, they can be further defined by relevant sub-criteria, examples of which are set out as follows:
  - price;
  - quality and performance;
  - running costs;
  - technical merit;
  - economic advantage based on past experience;
  - delivery date;
  - environmental considerations;
  - aesthetic and functional characteristics;
  - safety;
  - after-sales services;
  - technical assistance; and
  - other relevant matters.
17. Where sub-criteria are used, they must also be set out in the Invitation to Tender.
18. The evaluation criteria must not include non-commercial considerations. These are criteria which are not directly relevant to the operation of the contract e.g. the terms and conditions of employment of the bidders' workers or the country of origin of the bidder.
19. The award criteria cannot include matters which discriminate against suppliers from the European Union or signatories to the Government Procurement Agreement.
20. As the evaluation stage is the most likely point at which a challenge may be made to the procurement process you are advised to seek assistance from the Commercial Team regarding evaluation modelling.

#### **Defining the evaluation procedure**

21. Bids can be evaluated by using the bidders' written submissions only or you may want to arrange face to face interviews with the bidders and/or ask for bidder presentations to supplement the written submissions.
22. You must choose which process you will use to evaluate the bids and set this out in the Invitation to Tender.

#### **Preparing the invitation to tender**

23. The Invitation to Tender sets out the basic rules for the tendering process and you must use the standard template Invitation.
24. The invitation to tender must state that
- the Company is not bound to accept the tender;
  - late submissions and submissions which do not comply with the Company's e-tendering procedure will be rejected;
  - the e-tendering system does not allow acceptance of tenders via email or post;
  - the date and time for submission of tender and that late tenders may not be accepted;
  - the tender submission closing time is governed by the e-tendering system's clock which automatically records receipt of tenders and retains that information;
  - Where bidders are asked to upload files, you must advise them that single file sizes must not exceed 5mb.
25. The invitation to tender should be accompanied by standard conditions of contract. You need to consider whether there are further conditions relevant to the contract e.g. the time the service is performed, the date on which goods are delivered etc. In some cases standard contracts (e.g. ICT contracts) will be available.
26. Employees must consult the company's legal adviser, via the Commercial Team before a tender is issued for any contract which involves one of the following:
- the transfer of non-land assets;
  - the transfer of staff;
  - the transfer or lease of land;
  - any form of payment assistance to the bidder (state aid).

#### Clarification procedures

27. All clarification and communication during the tender process should be channelled through the e-tendering systems messaging tool. Never email bidders via your email account during the tender exercise as there is no clear audit trail to support your process. When a message is received from a bidder a notification will be emailed to you to respond to the message. Any queries raised by a bidder and clarifications provided should be forwarded to all bidders with anonymity of the bidder raising the query.
28. If an error is identified in the invitation to tender before the closing date for submissions and is significant enough to warrant amendment, all bidders should be informed of the error and invited to adjust their bids.

#### Submission, receipt and opening of tenders

29. Tenders will only be available to evaluate following the closing date for submissions.
30. Tender evaluation may be completed within the e-tendering system on line or off line.

#### Post tender negotiation

31. If an error is identified in the invitation to tender after the closing date for submissions and is significant enough to warrant amendment, all bidders should be given details of the error and given the opportunity to withdraw their offer or to submit a revised bid within a defined period.
32. Where there is a minor error or discrepancy in the successful tender which would affect the tender figure, the bidder should be given details of the error or discrepancy and given the opportunity to confirm, correct or withdraw its bid. If the bidder withdraws its offer, the next most competitive bid should be assessed.
33. Following receipt of the tenders, you may clarify or negotiate with a preferred bidder to obtain an improvement in terms of price, delivery or service. Any such clarification or negotiation must:
- not discriminate against other bidders, and
  - not alter the original specification except where the company's legal adviser or Procurement have advised that special circumstances exist that can be substantiated, and
  - have the prior authorisation of the company's legal adviser or the Commercial Team, and

- be confirmed in writing by the bidder.

#### **Evaluation, selection and de-briefing**

34. The e-tendering system may be used as a document exchange system where tenders are uploaded to the system and then evaluated off-line or you may use the systems tender questionnaire which will enable you to evaluate the bids online within the e-tendering system.
35. Bids must be evaluated and the successful bidder selected in line with the advertised award criteria and the award procedure.

#### **Standstill and post tender formalities**

36. Following the evaluation of the contract and before formally awarding the contract to the successful bidder there will be a mandatory standstill period. This period begins once you have notified the unsuccessful bidders of your decision and the reasons for the differing scores. This is known as the 'Alcatel' or "Standstill" period and is bound by strict rules. See points 37 and 38 below as to when the Alcatel letter must be sent out.
37. The standstill period allows for the unsuccessful bidders to seek any feedback on their bids and to challenge the procurement process. You should therefore have prepared in advance any information about the evaluation process, the reasons for the differing scores and why the bidder was unsuccessful before the award of the contract is notified to the bidders.
38. You may want to include the following matters in any debrief:
  - identifying the bidder to whom the contract will be awarded;
  - the reasons for the decision;
  - the award criteria;
  - a full breakdown of the bidder's scores against each of the criteria and sub-criteria together with an explanation why the successful bidder achieved a higher score;
  - the score of the successful bidder; and or,
  - the reasons (if any) why the bidder did not meet the technical specifications.
39. Apart from the debriefing permitted by this Rule, the confidentiality of tenders and the identity of bidders must be preserved at all times and information about one bidder's response must not be given to another bidder.

#### **Governance**

40. The contract must be awarded by an authorised signatory on behalf of the Company.
  - The Managing Director can award a contract up to £500,000 in value upon receipt of a contract award report – see Appendix 2.
  - You must prepare an award report to authorise the award of the contract which must be sent to the company's legal adviser, via the Commercial Team, and the company's procurement specialists, for approval before the Managing Director signs off the report.
  - The report must be signed by the Managing Director.
  - The Alcatel letter can be sent out at any time after your Senior/Executive Manager signs off the contract award report. Note that this will be done by the company's procurement specialist.
41. Once your contract award notice has been approved, you will need to notify all bidders of the result via the e-tendering system.

#### **Contract formalities**

42. There must be a signed written contract in place between the Company and the contractor before the supply, service or work is started. You must send the following documents to the company's legal adviser, via the Commercial Team, to prepare and finalise the formal contract documents:
  - Signed Managing Director Contract Award Report;
  - Invitation to Tender (including the terms and conditions);

- Successful Contractor/Service Provider/Consultant tender submission;
  - Any other documents you wish to include in the contract
43. Signed, sealed contracts will be listed in the Company's contract register and placed with the Company's Deeds and you will be forwarded a contract number for future reference. Contracts valued up to £500,000 need to be signed by an Authorised Signatory or sealed in the presence of an Authorised Signatory where appropriate. All contracts over £500,000 must be sealed in the presence of an Authorised Signatory.
44. If you want the contract to begin before the contract is signed or sealed, you should consult the Company's legal adviser, via the Commercial Team. In exceptional circumstances, the company's legal adviser may permit the contract to begin before the contract is signed or sealed and measures can be put in place to protect the Company's position in the interim.

**Contract register**

45. You must give details of the contract to the Commercial Team to be entered into the Company Contracts Register.
46. Signed and sealed contracts will be listed in the Company's contract register and retained by the Company's legal adviser. You will be forwarded a contract number for future reference.

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**Part F: E-tendering**

1. Electronic Procurement (e-procurement) is the use of an electronic system to advertise and invite tenders for goods, works and services.
2. E-procurement covers the whole purchasing cycle. This is also known as the 'purchase-to pay' cycle and includes:
  - electronic requisitioning,
  - electronic tendering,
  - electronic ordering,
  - purchasing cards and
  - electronic Payment/Invoicing.
3. The e-tendering system must be used for any purchase of goods, works or services above £50,000, however employees are encouraged to use the system for contracts below £50,000 where possible. Where contracts are advertised in OJEU, all tender documents must be made available electronically. This means that from the date the OJEU notice is published, you must ensure that all specifications, the descriptive document, proposed conditions of contract and any other documentation are ready for interested suppliers.
4. To use the e-procurement system you should contact the Commercial Team who will arrange with the Company's procurement advisers for you to register yourself as a user on the e-sourcing system. Training and user guides will be provided.
5. The Company's contract Rules anticipate that you will use the e-procurement system for any purchasing. If you do not wish to use the e-procurement system you will need to discuss this with the Commercial Team.

### Section 3 – Getting the Contract in Place

Where contracts are high value (above £180,000) or high risk you should consult with the Commercial Team as to whether some form of security, such as a bond or parent company guarantee is required from the contractor

#### Bonds

1. A performance bond is a written guarantee provided to the Company by a contractor's bank or insurer. It requires the contractor to deposit a sum of money with the bank or the insurer and is therefore usually only suitable for high value or high-risk contracts. If the contractor does not do what it has promised under the contract, the Company can claim from the bank or insurer the sum of money which is specified in the performance bond.
2. A performance bond is intended to protect the Company against the costs that arise from the contractor's failure to perform the contract. You must assess the need for the bond by considering the risks to the Company, including the:
  - complexity of the contract relating to delivery;
  - capabilities of suppliers, service providers or contractors;
  - financial standing and security of suppliers, service providers or contractors.
3. In limited circumstances it may be necessary to have an on-demand bond (effectively a cash bond), however there is a significant cost to these and they should only be sought in limited circumstances and following legal advice.
4. You should consider whether a performance bond or any other form of security is required where;
  - a contract for works, goods or services is estimated to exceed the EU threshold or
  - where it is proposed to make stage or other payments in advance of receiving the whole of the works, services or supplies
5. Should a performance bond or other form of security be required, you must identify this in the tender documentation. Contact the Company's legal adviser, via the Commercial Team, for a template version of the performance bond.
6. You should not allow the contractor to commence the contract for the works, services or supplies until the bond has been provided to the Company.

#### Parent company guarantees

7. A parent company guarantee could be requested from the contractor as an alternative form of security to a performance bond but only where the contractor has a parent company.
8. A parent company is a company which owns a number of companies (known as subsidiaries). You should seek advice from the Commercial Team or the company's legal adviser if you intend to request a parent company guarantee in any tender.
9. There are other lesser used forms of security that can be requested against the contract, such as cash, title deeds, debentures and legal charges. Please contact the Commercial Team or the company's legal adviser for further advice if you need to consider these.

#### Contract documents

10. There are many different forms of standard contract. These are most frequently found in the construction industry (i.e. for works contracts) but others are also available.
  - a. a standard short-form subcontract / contract may be used. The use and completion of this contract is managed by the Commercial Team with legal being provided a copy on signing.
  - b. Where the works are assessed by the Commercial team as being either high value; high risk or complex – a standard long-form subcontract / contract may be used. This contract is managed by the company's legal advisor.
11. The company's legal adviser has knowledge of most standard forms of contract and also holds a standard set of terms and conditions which can be tailored to meet any forms of works, goods or services contract. These take account of the specific needs placed upon local government trading company contracts e.g. freedom of information requests for contract documents and auditing obligations.
12. Requests for standard clauses and to discuss specific contractual requirements can be made by contacting the company's legal adviser, via the Commercial Team.

## Section 4 – Changes to the contract and Waivers

This section sets out what you must do if:

- you are unable to comply with any of the requirements of these Rules, or
- there is a change to the contract e.g. additional works have been identified after the contract has begun.

It is very important that you follow correct governance processes to authorise any changes to the contract or these Rules.

### Waivers

1. It is the Company's policy that these Contract Rules should be complied with at all times. However, the Company recognises that circumstances may exist when it is not possible to comply with these Rules. On those occasions you may apply for a waiver from any or all of these Rules.
2. The fundamental principles of waivers are that:
  - they should be used only in exceptional circumstances;
  - they are granted entirely at the discretion of an executive manager, in consultation with the company's legal adviser.
  - they should always be sought in advance of any purchasing as there is a general presumption that retrospective applications will not be approved, and
  - there is no automatic right to a waiver.
3. All waiver requests must be made in writing supported by justification for your application.
4. A waiver under this section can never be used where the total value of the contract exceeds the EU threshold. There are specific statutory waivers which apply to contracts tendered under the EU process and you should always seek legal advice on these.

### When may a waiver be allowed?

5. A Waiver may be allowed when:
  - You want to obtain quotations or tenders from fewer bidders than these Rules require (including a single bidder) because they are the only suppliers which can provide the services or goods or works you want to purchase;
  - Following advertising quotations or tenders have been received from fewer bidders than these Rules require (including a single bidder);
  - When an urgent matter arises i.e. a imminent health and safety requirement
  - You want to extend an existing contract which does not have provision for an extension and where a change of supplier would cause:
    - disproportionate technical difficulties;
    - excessive cost/loss of funding; and/or
    - significant disruption to services.
6. In all cases a waiver cannot be approved where the cost of the extension or contract exceeds the EU threshold.

### Waiver procedure

7. To apply for a Waiver, you should complete a Waiver Report – see Appendix 3.
8. The Waiver Report should set out clearly the grounds on which you are applying for the Waiver and must specify which of the reasons listed at 5. above apply.
9. The completed waiver report should be sent to the Commercial Team who will ensure approval is sought from the company's legal adviser, and if required, the company's procurement advisor.
10. Once the required approvals have been obtained you must send the report to the authorised approver in Appendix 2 for formal approval of the waiver. Electronic approval will be sufficient.
11. The Commercial Team is required to keep a register of approved waivers.

12. In urgent circumstances, contact must be made with the all the relevant authorised approver in Appendix 2 before entering any contract, to obtain an “in principle” decision. This means that, unlike usual procedures, the decision to award will follow after the contract has been awarded. Verbal authority given by the authorised approver in Appendix 2 will mean that the correct authority has been given for the contract, even though the paperwork will be retrospective.

#### Assigning/Novating contracts

13. Assignment is the transfer of the benefit of contract to another party. The contract should detail the circumstances in which a contract can be assigned but if it does not you will need to consult the company’s legal adviser, via the Commercial Team, on the process. Novation is the transfer of the rights, obligations and liabilities of an original party to an existing contract to a new party. You should contact the Company’s legal adviser on the form of the contract that should be used for the novation, which is usually in the form of a deed.
14. Where a contract is required to be assigned or novated you must first calculate the total value of the contract to determine the correct process.
15. Where a contract has a total value between £50,000 and £100,000 the assignment/novation will need to be approved by:
- An Executive Manager
  - The company’s legal adviser; and,
  - The Commercial Team;
16. Where a contract has a total value between £100,000 and £500,000 the assignment/novation will need to be approved by:
- Managing Director
  - The company’s legal adviser; and
  - The Commercial Team;
17. Where a contract has a total value of more than £500,000 the assignment/novation will need to be approved in accordance with Appendix 2; and:
- a credit check on the proposed contractor that the contract is to be assigned to have been carried out by the Commercial Team; and,
  - a formal deed/notice of assignment, to be prepared by the company’s legal adviser has to be entered into by the parties.

#### Varying contracts

18. Variations of contract typically comprise:
- change in price, or
  - change in service delivery or goods or works leading to a change in price
19. If the variation looks as if the original value of the contract is likely to be exceeded, the procedure for obtaining approval to the variation is as follows:

##### Non-EU procured contracts

- **Increase is less than £50,000** - The contract manager or employee must obtain approval to the increase in line with the authority listed in Appendix 2.
- **Increase is more than £50,000** - As long as the contract as varied is still under £500,000, it can be authorised by the relevant officer(s) referred to in Appendix 2 (subject to having informed the Commercial Team )

##### EU procured contracts

Contact the Company’s legal adviser, via the Commercial Team, for advice on whether the variation is likely to be treated as a new contract, requiring it to be re-tendered. If the advice from the company’s legal adviser is that the variation is unlikely to be treated as a new contract, the contract manager or employee must follow the procedure outlined above and obtain the authorisation referred to in Appendix 2

## Section 5 – Ending the Contract

### Terminating contracts

1. Where a contract is required to be terminated, other than by it expiring, seek advice from the Commercial Team .
2. Where a contract has a total value of between £50,000 and £100,000 the termination will need to be approved by the following:
  - An Executive Manager
  - The company's legal adviser; and,
  - The Commercial Team;
3. Where a contract has a total value between £100,000 and £500,000 the termination will need to be approved by:
  - Managing Director
  - The company's legal adviser; and,
  - The Commercial Team;
4. Where a contract has a total value of more than £500,000 the termination will need to be approved by
  - Board of Directors
  - The company's legal adviser; and,
  - The Commercial Team;

Additionally, termination notice must be issued to the contractor and or supplier by the company's legal adviser.

**Appendix 1**

Process – Flowchart to be included one document is agreed

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## Appendix 2 Authorisation Levels

Contract Value	Competition Requirements	Authority to			
		Procure	Award/ Vary/ Terminate	Waive	Sign
Services, Products and Works <b>Below £10,000</b>	Value for money	Senior Manager	Senior Manager	Executive Manager	Senior Manager
Services, Products and Works <b>£10,000 to £24,999</b>	2 written quotes	Senior Manager	Senior Manager	Executive Manager	Senior Manager
Services, Products and Works <b>£25,000 to £99,999</b>	3 written quotes	Senior Manager	Executive Manager	Executive Manager	Executive Manager
Services and Products <b>£100,000 to £189,000</b>	3 written quotes	Executive Manager	Managing Director	Managing Director and legal adviser	Managing Director
Works <b>£100,000-£4.73 million</b>	3 written quotes	Up to £499,999	Up to £499,999	Up to £499,999	Up to £499,999
		Executive Manager	Managing Director and legal, commercial or procurement leads	Managing Director and legal adviser	Managing Director
		Over £500,000	Over £500,000	Over £500,000	Over £500,000
		Managing Director	Board of Directors, and legal, commercial, procurement leads	Board of Directors and legal adviser	Sealed in presence of authorized signatory
Services and Products <b>over £189,000/ EU threshold</b>	Advertised as per requirement of OJEU – Seeking 5 or more tenders	Up to £499,999	Up to £499,999	Waivers not permitted	Up to £499,999
		Executive Manager	Managing Director and legal, finance, procurement leads		Managing Director
		Over £500,000	Over £500,000		Over £500,000
		Managing Director	Board of Directors, and legal, finance, procurement leads		Sealed in presence of authorized signatory
Works <b>over -£4.73 million / EU threshold</b>	Advertised as per requirement of OJEU – Seeking 5 or more tenders	Board of Directors	Board of Directors and legal, finance, procurement leads	Waivers not permitted	Sealed in presence of authorized signatory

If the appropriate level of authoriser is not available, then authorisations can be granted by a higher-level authorizer up to Board of Director level.

## Appendix 3 Waiver Report

## Procurement Waiver Form



## Overview

In accordance with the Procurement Strategy and Contract Procedure Rules for the Company, in certain circumstances; authority to waive elements of the application of the Contract Procedure Rules may be sought.

This document sets out the basis for the waiver request; and any conditions on which the waiver is approved. A copy of the Company's authorisation levels is overleaf for information.

Please ensure that the Business Manager is provided with copies of all Procurement Waiver Form requests and decisions for audit logging.

## Procurement Waiver Request

**Company reference:**  **Date Raised:**

**Submitted by:**  **Position:**

**Nature of activity:**

**Reason for contract:**

**Reason for waiver request**

**What steps have been taken to ensure that the contract being awarded offers the best value for money as is practicable under the circumstance?**

**Alternative options considered:**

**Estimated contract sum:**

**Basis of contract sum calculation:**

**Length of Contract:**

**Name of contractor:**

**Legal advisor comments:**

**Reviewed by:**  **Position:**

**Signature:**  **Date :**

## Decision

**Request was:**

**Reviewed by:**  **Position:**



Signature:

Date reviewed

*(If reviewed at board level; date of relevant Board meeting)*

Waiver period end date:

Conditions of Approval:

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#### Appendix 4 – Peterborough Limited List of Reserved Matters Update

#	Current Reserved Matter Red Text highlights propose addition text	Proposed Action	Comment
1.	Admit any person as a new Shareholder of Peterborough Limited	<b>Retain</b>	This matter is fit for purpose and offers the right level of control over the company to the Council
1.	Adopt any Business Plan of Peterborough Limited	<b>Retain</b>	This matter is fit for purpose and offers the right level of control over the company to the Council
2.	Alter any of the provisions of the Business Plan after it has been adopted, the Articles or any rights attaching to the Shareholders' interests in the Shares that they hold.	<b>Retain</b>	This matter is fit for purpose and offers the right level of control over the company to the Council
3.	Make any capitalisation, repayment or other distribution of any amount standing to the credit of any reserve of Peterborough Limited or declare any dividend or other distribution to Shareholders.	<b>Retain</b>	This matter is fit for purpose and offers the right level of control over the company to the Council
4.	Create any encumbrance over the whole or any part of the undertaking or assets of Peterborough Limited, <b>except where agreed in the Business Plan</b>	<b>Update as per red text</b>	A small update to ensure the Cabinet or Sub Committee would only need to approve once, and to be consistent with other reserved matters
5.	Extend Peterborough Limited's activities outside the scope of the Business Plan or cease to carry out any <b>material part</b> of the Business Plan or <b>act against the shareholder in a competitive arena, and against <del>or over any</del></b> the Shareholder's interest.	<b>Update as per red text</b>	A small update to ensure clarity and prevent minor changes requiring immediate shareholder consent.
6.	Alter Peterborough Limited's accounting reference date	<b>Retain</b>	This matter is fit for purpose and offers the right level of control over the company to the Council
7.	Approve or sign the annual accounts of Peterborough Limited	<i>TBC</i>	
8.	Appoint or remove any Director of Peterborough Limited otherwise than in accordance with the Articles.	<b>Retain</b>	This matter is fit for purpose and offers the right level of control over the company to the Council
9.	Make any petition or resolution to wind up Peterborough Limited (or any subsidiary) or any petition for an	<b>Retain</b>	This matter is fit for purpose and offers the right level of control over the company to the Council

	administration order or any order having similar effect in a different jurisdiction in relation to such company unless, in any case, such company is at the relevant time insolvent and the Directors reasonably consider (taking into account their fiduciary duties and other obligations under the Companies Act 2006) that it ought to be wound up		
10.	Sell, lease (as lessor), license (as licensor), transfer or otherwise dispose of any of its assets at a total price per transaction exceeding <del>£10,000</del> £25,000 otherwise than in the ordinary course of the Business and to the extent provided for in the Business Plan	Update as per red text	A small update to increase the level to enable new commercial opportunities to be followed swiftly where cost affective.
11.	Purchase, lease (as lessee), license (as licensee) or otherwise acquire any assets at a total cost to Peterborough Limited per transaction exceeding <del>£10,000</del> £25,000 otherwise than in the ordinary course of the Business and to the extent provided for in the Business Plan	Update as per red text	A small update to increase the level to enable new commercial opportunities to be followed swiftly where cost affective.
12.	Acquire or agree to acquire any freehold or leasehold interest in or licence over land <del>except where part of the agreed Business Plan</del>	Update as per red text	A small update to ensure the Cabinet or Sub Committee would only need to approve once, and to be consistent with other reserved matters
13.	Enter into or make any contract with an ongoing cost to Peterborough Limited of more than <del>£10,000</del> £25,000 (“a Material Contract”) unless provided for in the Business Plan.	Update as per red text	A small update to increase the level to enable new commercial opportunities to be followed swiftly where cost affective.
14.	Give notice of termination of any Material Contract or make any Material Variation or amendment to any such contract.	Remove	This does not allow the company to swiftly terminate contracts due to poor performance or issues relating to Health and safety. Instead termination could be reported for information.
15.	Appoint or remove <del>any Executive Manager</del> <del>Operations Directors</del> of Peterborough Limited.	Update as per red text	Expand to include all executive managers such as Managing Director, Operations Director and Finance Director
16.	Enter into any contracts or arrangements with any of the Shareholders <del>Elected Members or Senior</del>	Update as per red text	A small update to ensure clarity

	Officers or Company Directors or any person with whom any Elected Members or Senior Officers or Company Director is connected, associated or interested (whether as Director, consultant, Shareholder or otherwise).		
17.	Change the name of Peterborough Limited or its registered office.	Retain	This matter is fit for purpose and offers the right level of control over the company to the Council.
18.	Form any subsidiary of Peterborough Limited, or acquire any shares in any other company, whether through subscription or transfer, such that the company concerned becomes a subsidiary of Peterborough Limited.	Retain	This matter is fit for purpose and offers the right level of control over the company to the Council.
19.	Enter into any contract which cannot be terminated within a 12 month period and under which the liability for such termination could exceed £10,000.	Retain	This matter is fit for purpose and offers the right level of control over the company to the Council.
20.	Give or take any loans, borrowing or credit (other than normal trade credit in the ordinary course of the Business) in excess of £10,000, or cause the aggregate indebtedness of Peterborough Limited to exceed £10,000.	Retain	This matter is fit for purpose and offers the right level of control over the company to the Council.
21.	Enter into any agreement not in the ordinary course of the Business and/or which is not on an arm's length basis or amend its standard terms of business.	Remove	Suitable safeguard have been included in item 5, 6, 11 to 14, 21 and 20.
22.	Give any guarantee, suretyship or indemnity to secure the liabilities of any person or assume the obligations of any person.	Retain	This matter is fit for purpose and offers the right level of control over the company to the Council.
23.	Incur any item or series of items of capital expenditure of more than <del>£10,000</del> £25,000 unless provided for in the Business Plan.	Update as per red text	A small update to increase the level to enable new commercial opportunities to be followed swiftly where cost affective
24.	Recruit or dismiss any employee whose remuneration exceeds £40,000 per annum unless provided for in the Business Plan provided always that any employee may be dismissed for gross misconduct without the prior consent of the Shareholders. Save as provided for in	Retain	This matter is fit for purpose and offers the right level of control over the company to the Council

	the Articles, pay any fees, remuneration or other emoluments to any Director or vary any such fees, remuneration or emoluments. For the avoidance of doubt this paragraph 25 shall not apply to the payment or reimbursement of expenses properly incurred by any Director in the course of carrying out his duties in relation to Peterborough Limited nor to any indemnity by Peterborough Limited to which the Director is entitled pursuant to the		
25.	Articles or under any relevant law	<b>Retain</b>	This matter is fit for purpose and offers the right level of control over the company to the Council
26.	Consolidate or amalgamate with any company, association, partnership or legal entity or acquire any business or undertaking of any other person (for the avoidance of doubt, excluding the consolidation of accounts with Peterborough City Council)	<b>Retain</b>	This matter is fit for purpose and offers the right level of control over the company to the Council
27.	Enter into any joint venture, partnership or profit sharing arrangement with any person	<b>Retain</b>	This matter is fit for purpose and offers the right level of control over the company to the Council
28.	Change any of Peterborough Limited's accounting or reporting practices	<b>Retain</b>	This matter is fit for purpose and offers the right level of control over the company to the Council
29.	Create any share option, <del>bonus or other incentive</del> scheme.	<b>Update as per red text</b>	A small update to enable the company to consider incentives for profitable sales, where relevant in the future
30.	Make an offer of employment or alter the remuneration or conditions of employment of any employee or any consultant of Peterborough Limited <del>otherwise than in the ordinary course of business and to the extent</del> provided for in the Business Plan or unless obliged to do so by statute	<b>Update as per red text</b>	A small update to ensure when necessary the company can react to local and national market forces to ensure front line service are delivered
31.	Make any agreement with any revenue authorities or any other taxing authority, or make any claim, disclaimer, election or consent of a material nature for tax purposes in relation to Peterborough	<b>Retain</b>	This matter is fit for purpose and offers the right level of control over the company to the Council

	Limited, its assets or undertakings, or the Business		
32.	License, assign or otherwise dispose of intellectual property rights owned by Peterborough Limited	<b>Retain</b>	This matter is fit for purpose and offers the right level of control over the company to the Council
33.	Commence, settle or defend any claim, proceedings or other litigation brought by or against Peterborough Limited, except in relation to debt collection in respect of a sum not exceeding £10,000 in the ordinary course of the Business.	<b>Retain</b>	This matter is fit for purpose and offers the right level of control over the company to the Council

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<b>SHAREHOLDER CABINET COMMITTEE</b>	<b>AGENDA ITEM No. 6</b>
<b>2 MARCH 2020</b>	<b>PUBLIC REPORT</b>

Report of:	Peter Carpenter, Acting Corporate Director for Resources	
Cabinet Member(s) responsible:	Cabinet Member for Strategic Planning and Commercial Strategy and Investments	
Contact Officer(s):	Peter Carpenter, Acting Corporate Director for Resources	Tel. 01733 384564

## NPS PETERBOROUGH UPDATE

RECOMMENDATIONS	
<b>FROM:</b> <i>Peter Carpenter, Acting Corporate Director for Resources</i>	<b>Deadline date:</b> <i>N/A</i>
It is recommended that the Shareholder Cabinet Committee note the contents of the report.	

### 1. ORIGIN OF REPORT

- 1.1 The Shareholder Committee requested that the Acting Corporate Director of Resources write to the Corporate Management Team and Stakeholders to obtain a collective view on the performance of NPS and makes any appropriate recommendations to the Committee as necessary.

Responses were received from the following sources:

- Peterborough Highways Services;
- Community Services;
- Aragon Direct Services;
- Medesham Homes;
- Interim Development Director;
- Strategic Education Capital Programme Manager;
- Members.

### 2. PURPOSE AND REASON FOR REPORT

- 2.1 The purpose of this report is to provide the Shareholder Cabinet Committee with an update on work being undertaken with NPS Peterborough.
- 2.2 This report is for the Shareholder Cabinet Committee to consider under its terms of reference 3.3.2. 'Functions of the Shareholder Cabinet Committee' (a), *"To monitor performance and financial delivery of the companies, partnerships and charities set out above in line with Cabinet approved business plans by means of monthly performance monitoring and scrutiny."*

### 3. TIMESCALES

Is this a Major Policy Item/Statutory Plan?	<b>NO</b>	If yes, date for Cabinet meeting	<b>N/A</b>
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#### 4. BACKGROUND AND KEY ISSUES

4.1 It is important to look to the detailed comments but at the same time look at the themes that can be derived from the comments in order for appropriate recommendations to be made. There were 5 main themes in terms of the points raised:

4.2 1) It is clear from the comments that there is ambiguity in understanding of relationships from users on the end to end property function including:

- a. The client side responsibilities
- b. NPS Responsibilities
- c. Aragon Direct Responsibilities
- d. Legal Services Responsibilities
- e. Procurement Responsibilities

4.2.1 This theme underpins a number of the more direct property comments and it is key that following the return of services previously run by Amey to Council control through Aragon Direct Services that interactions are becoming better.

4.2.2 However for the interface to be correct, and property service users and members to be able to have one source of contact for property queries, working across all the above groups must get better and work closer together.

4.2.3 As a first step on this path, all property information is now being transferred to a single property system (Technology Forge).

4.2.4 There has already been an initial meeting in late October which brought the groups a) to e) above together, but work now needs to be accelerated in order that:

- Queries be channelled through one source - the Property Client;
- That NPS, as the Corporate Landlord, has sight of all the work going on and can ensure strategies and work being undertaken are at the correct quality level;
- That when works are undertaken either by Aragon Direct Services (or any other contractor) that progress and records are appropriately captured to ensure that the Council.

4.2.5 With this there will be clarity on

- What work is being undertaken, by who and progress;
- The condition of all the Council's buildings (responsibility of Aragon Direct Services);
- If there are queries – these are linked to those individual buildings and can be tracked.

4.2.6 Work is already moving forward. Regular meetings are taking place between the Property Client, Aragon Direct Services, and NPS. These meetings now need to be expanded to ensure that the Aragon Client side is included in this overall governance process. In addition a Monthly "property" meeting now needs to be convened from January to make sure all bases are covered.

4.2.7 Accompanying this will be a clear communications strategy to ensure all stakeholders understand the interactions, responsibilities and escalation routes.

4.2.8 **Recommendations**

- **Ensure and validate that all Property Data is transferred onto the Technology Forge System**
- **Set up monthly meetings of key internal stakeholders**

- **Produce a Communications Strategy to ensure all stakeholders understand the end to end property process, points of escalation and responsibilities of the different parties.**

4.3

2) Too much focus on Sand Martin House (SMH) in relation to “staff buildings” and not enough focus on other delivery locations (including budgets);

4.3.1

This point is taken – there has been significant investment in SMH and also now the upgrade of the Town Hall to ensure that the Council is using cost and energy efficient buildings. The Council also have commercial tenants paying market rate rent and service charges which require dedicated oversight. This has been the focus of the Council’s accommodation strategy. However, as part of the asset review being undertaken there is a need to review all locations to ensure needs and efficient use of the assets are maximised. General property queries are targeted to the Aragon Helpdesk in the first instance for all buildings (there has been no change to this policy)

4.3.2

**Recommendation**

- **Review all locations to ensure needs and efficient use of the assets are maximised**

4.4

3) Inconsistent responsiveness from NPS Staff;

4.4.1

This will be followed up. As part of the process described in 1) above, if there is an issue there will be a clear line into the Client manager so that the issue can be escalated and resolved.

4.4.2

**Recommendation**

- **Monthly meeting of in house stakeholders to pick up issues as a standing item**
- **NPS to provide a service response standard to ensure communications are consistent and response times are measurable.**

4.5

4) Positive views of NPS’s strategic work and 5) Concerns on operational matters including;

4.5.1

a. Work around the CAT process;

This is now linked into the asset review presently being undertaken. The CAT process need both Property and Service input to ensure it works properly. This includes property looking at different options for properties that are not able to progress through the CAT process.

4.5.2

b. The end to end Housing process (including property costs);

This has been an issue. Housing Property Data capture has been an additional service being managed by NPS over the past year and client queries which are not property related have increased. Housing “assets” are on Technology Forge and with the recent move to centralise the end to end Housing process in one Department there is now traction in this area.

4.5.3

c. Client provider responsibilities with Aragon;

Part of the recommendation in Theme 1 above.

4.5.4

d. A clear Asset Management Plan (and why repairs in certain places has stopped);

The asset management plan is part of the MTFs and is limited by the amount of funding available. This will be picked up as part of monthly meetings as per item b) above. Repairs are a delivery responsibility of Aragon.

4.5.5

e. Links with Hamson Barron Smith and how this is commissioned and if it is value for money;

## **Recommendation**

### **- Market testing to take place to ensure VFM is being exhibited**

- 4.5.6 f. Under-researching of selling packs – causing delays in transactions

This has been acknowledged as an issue on recent transactions with final information only coming out after a number of iterations across all inputs to the property service. Selling packs will now be fully reviewed by Property and Legal Services before passing to respective clients and customers.

## **Recommendation**

### **- Ensure revised process used for selling packs and similar deliverables**

- 4.5.7 g. Communication verbally is generally good, subsequent actions agreed at meetings (or on the telephone) are slow to be followed up and frequently customers are told that they are “awaiting instructions from Officers within the Council” – links to point 1 above;

See Theme 1 above – is a link to all 3 recommendations

- 4.5.8 h. 141 Lincoln Road being without heat for 3 months and Kingfisher Centre without hot water for 3 months;

See Theme 1 above – it a link to all 3 recommendations

- 4.5.9 i. Lighting at the Town Hall.

See response to Theme 2 above.

## **5. CONSULTATION**

- 5.1 The views of the Corporate Management Team and Stakeholders were sought for any appropriate recommendations to the Committee.

## **6. ANTICIPATED OUTCOMES OR IMPACT**

- 6.1 That Shareholder Cabinet Committee Members will be updated on the actions being taken in relation to NPS Peterborough.

## **7. REASON FOR THE RECOMMENDATION**

- 7.1 To provide the Shareholder Cabinet Committee with an update on work being undertaken with NPS Peterborough.

## **8. ALTERNATIVE OPTIONS CONSIDERED**

- 8.1 There were no alternative options considered.

## **9. IMPLICATIONS**

- 9.1 As an update report there are no financial, legal or equalities implications to consider.

### **Carbon Impact Assessment**

- 9.5 As an update report there is not Carbon Impact to consider.

## **10. BACKGROUND DOCUMENTS**

Used to prepare this report, in accordance with the Local Government (Access to Information) Act 1985

10.1 None.

**11. APPENDICES**

11.1 None.

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**Shareholder Cabinet Committee Work Programme 2019/2020**

Meeting Date	Item	Comments
<b>24 JULY 2019</b> <i>Draft Report: 22 May 2019</i> <i>Final Report: 5 June 2019</i>	<b>Shareholder Cabinet Sub-Committee Overview Report</b> To agree to the appointment of co-opted members to the committee for the municipal year 2019/2020.  <b>Lead Officer: Peter Carpenter</b>	
<b>16 SEPTEMBER 2019</b> <i>Draft Report: 19 August 2019</i> <i>Final Report: 29 August 2019</i>	<b>Aragon Direct Services</b>  <b>Lead Officer: Steve Cox/James Collingridge</b>	
	<b>NPS Peterborough Limited</b> (including links to the delivery of temporary accommodation)  <b>Lead Officer: Steve Cox/Peter Carpenter</b>	
<b>27 JANUARY 2020</b> <i>Draft Report: 16 December 2019</i> <i>Final Report: 8 January 2020</i>  <i>Deadline for Exempt Information Notice: 24 December 2019</i>	<b>Medesham Homes LLP</b> (including links to the delivery of temporary accommodation)  <b>Lead Officer: Steve Cox</b>	
	<b>Empower Peterborough</b>  <b>Lead Officer: Peter Carpenter</b>	
<b>2 MARCH 2020</b> <i>Draft Report: 30 January 2020</i> <i>Final Report: 12 February 2010</i>  <i>Deadline for Exempt Information</i>	<b>NPS Peterborough</b>  <b>Lead Officer: Steve Cox</b>	
	<b>Peterborough Investment Partnership LLP</b>	

<i>Notice: 27 January 2020</i>	<b>Lead Officer: Steve Cox/Howard Bright</b>	
	<b>Aragon Direct Services</b> <b>Lead Officer: Steve Cox/James Collingridge</b>	
<b>TBC 2020</b> <i>Draft Report: TBC</i> <i>Final Report: TBC</i>  <i>Deadline for Exempt Information Notice: TBC</i>	<b>Guidance for Member and Officers who Serve on Outside Bodies</b> <b>Lead Officer: Fiona McMillan</b>	
	<b>Vivacity</b> <b>Lead Officer: Adrian Chapman</b>	
	<b>Peterborough Museum and Art Gallery</b> <b>Lead Officer: Adrian Chapman</b>	
	<b>Opportunity Peterborough</b> <b>Lead Officer: Steve Cox</b>	

**Standing Items**

- **Guidance for Member and Officers who Serve on Outside Bodies (Lead Officer: Fiona McMillan)**  
First Meeting of the Municipal Year