

# Public Document Pack

<b>MEETING:</b>	Cabinet
<b>DATE:</b>	Wednesday 10 January 2024
<b>TIME:</b>	10.00 am
<b>VENUE:</b>	Council Chamber, Barnsley Town Hall
<b>PUBLIC WEB LINK:</b>	<a href="https://barnsley.public-i.tv/core/portal/webcasts">https://barnsley.public-i.tv/core/portal/webcasts</a>

## AGENDA

1. Declaration of pecuniary and non-pecuniary interests
2. Leader - Call-in of Cabinet decisions

### Minutes

3. Minutes of the previous meeting held on 13 December 2023 (Cab.10.1.2024/3) (Pages 3 - 6)

### Items for Noting

4. Decisions of Cabinet Spokespersons (Cab.10.1.2024/4) (Pages 7 - 10)

### Petitions

5. Petitions received under Standing Order 44 (Cab.10.1.2024/5)

### Items for Decision/Recommendation to Council

#### Core Services Spokesperson

6. Contract Procedure Rule Amendments (Cab.10.1.2024/6) (Pages 11 - 90)  
RECOMMENDATION TO FULL COUNCIL ON 1 FEBRUARY 2024
7. Calculation of Council Tax Base 2024/25 (Cab.10.1.2024/7) (Pages 91 - 120)
8. 2024/25 Business Rates - Calculation of the Authority's Local Share (Cab.10.1.2024/8) (Pages 121 - 128)
9. Exclusion of Public and Press  
It is likely that the public and press will be excluded from this meeting during consideration of the items so marked because of the likely disclosure of exempt information as defined by the specific paragraphs of Part I of Schedule 12A of the Local Government Act 1972 as amended, subject to the public interest test.

#### Regeneration and Culture Spokesperson

10. Barnsley Property Investment Fund 3 - Update and Revised Allocation (Cab.10.1.2024/10) (Pages 129 - 150)

Reason restricted:

Paragraph (3) Information relating to the financial or business affairs of any particular person (including the authority holding that information)

To: Chair and Members of Cabinet:-

Councillors Houghton CBE (Chair), Cain, T. Cave, Franklin, Frost, Higginbottom, Howard, Makinson and Newing

Cabinet Support Members:

Councillors Bellamy, Bowser, Cherryholme, Moyes, Osborne, Peace and Sheard

Chair of Overview and Scrutiny Committee  
Chair of Audit Committee

Sarah Norman, Chief Executive  
Wendy Popplewell, Executive Director Core Services  
Carly Speechley, Executive Director Children's Services  
Wendy Lowder, Executive Director Place Health and Adult Social Care for Barnsley  
Matt O'Neill, Executive Director Growth and Sustainability  
Anna Hartley, Executive Director Public Health and Communities  
Neil Copley, Director of Finance (S151 Officer)  
Sukdave Ghuman, Service Director Law and Governance (Monitoring Officer)  
Michael Potter, Service Director Business Improvement, HR and Communications  
Katie Rogers, Head of Communications and Marketing  
Anna Marshall, Scrutiny Officer

Corporate Communications and Marketing

Please contact Sukdave Ghuman by email [governance@barnsley.gov.uk](mailto:governance@barnsley.gov.uk)

Tuesday 2 January 2024



<b>MEETING:</b>	Cabinet
<b>DATE:</b>	Wednesday 13 December 2023
<b>TIME:</b>	10.00 am
<b>VENUE:</b>	Council Chamber, Barnsley Town Hall

## MINUTES

**Present** Councillors T. Cave, Franklin, Frost, Higginbottom, Howard, Makinson (Chair) and Newing

**Members in Attendance:** Councillors Bowser, Cherryholme, Moyes, Osborne and Sheard

### 152. Declaration of pecuniary and non-pecuniary interests

Councillor Frost declared a non-pecuniary interest as a trustee of Age UK Barnsley in respect of Minute Number 157, and as a member of the National Education Union in respect of Minute Number 158.

Councillor Higginbottom declared a non-pecuniary interest as an employee of Age UK Barnsley in respect of Minute Number 157.

Councillor Bowser declared a non-pecuniary interest as a member of the National Education Union in respect of Minute Number 158.

Councillor Sheard declared a non-pecuniary interest as a governor at Barnsley Hospital in respect of the agenda as a whole.

### 153. Call-in of Cabinet decisions

The Deputy Leader reported that no decisions from the previous meeting held on 29 November 2023 had been called in.

### 154. Minutes of the previous meeting held on 29 November 2023 (Cab.13.12.2023/3)

The minutes of the meeting held on 29 November 2023 were taken as read and signed by the Chair as a correct record.

### 155. Decisions of Cabinet Spokespersons (Cab.13.12.2023/4)

There were no Records of Decisions by Cabinet Spokespersons under delegated powers to report.

### 156. Petitions received under Standing Order 44 (Cab.13.12.2023/5)

It was reported that no petitions had been received under Standing Order 44.

### 157. Procurement of the Older People's Physical Activity Alliance (BOPPAA) (Cab.13.12.2023/6)

**RESOLVED** that Cabinet:-

1. Approves the joint approach outlined at option 3 and budget detailed at paragraph 3.1 of the report; and
2. Authorises officers within Barnsley Council to approach the market to inform the procurement of a provider organisation to co-ordinate the Alliance, which works collaboratively to prevent falls and improve the strength and balance of older people; and
3. Delegates authority to the Executive Director of Public Health and Communities to award the contract for the Alliance following a competitive process.

**158. Provisional Education Outcomes (2023) (Cab.13.12.2023/7)**

**RESOLVED** that Cabinet notes the provisional education outcomes in the Borough for 2023, together with the limitations of the data and the action to be taken to continually improve education outcomes.

**159. UK Shared Prosperity Fund Update (Cab.13.12.2023/8)**

**RESOLVED** that Cabinet:-

1. Note the progress made with securing UKSPF funds for the borough, the SY UKSPF Investment Plan and the process for approval of further funds; and
2. Note the proposals submitted and being delivered using Year Two of Communities and Place theme funding of 0.624M; and
3. Delegate authority to the Service Director Regeneration and Culture to bid for and receive Year Three UKSPF funds for Communities and Place, Supporting Business, People and Skills themes to SYMCA in order to maximise all further funding opportunities for the borough with future updates to be brought into Cabinet in a timely manner.

**160. Quarter 2 (2023/24) Corporate Performance Report (Cab.13.12.2023/9)**

**RESOLVED** that Cabinet:-

1. Note the contents of the Corporate Performance Report in relation to the delivery of the Corporate Plan priorities and outcomes; and
2. Agree the Performance Report is shared with the Overview and Scrutiny Committee to inform and support their ongoing work programme.

**161. Corporate Finance Performance Quarter 2 2023/24 (Cab.13.12.2023/10)**

**RESOLVED** that Cabinet:-

1. Note the £21.2M projected cost pressure on the Council's 23/24 General Fund budget a deterioration of £3.5M since Quarter 1; and

2. Note the significant cost pressures that were continuing within Children's Social Care and the plans the Executive Director of Children's Services in conjunction with the Director of Finance were undertaking to mitigate these pressures; and
3. Received further updates from Executive Directors on the delivery of their service reviews/efficiencies and future spending plans, ensuring that these were managed within agreed resource envelopes; and
4. Note the requirement to utilise further reserves should the position not improve; and
5. Note the current forecast pressure of £0.8M on the Housing Revenue Account; and
6. Approve the accounting write-off of historic bad debts totalling £0.414M as detailed in the report; and
7. Note the forecast position on the Capital Programme; and
8. Note scheme slippage totalling £18.241M; and
9. Note scheme rephasing totalling £0.976M; and
10. Approve new schemes to be released into the programme totalling £20.165M in line with the agreed 23/24 Capital Programme; and
11. Note the key messages from the Council's Q2 Treasury Management activities.

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Chair

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**BARNSLEY METROPOLITAN BOROUGH COUNCIL**

**CABINET SPOKESPERSONS' DECISIONS**

**Schedule of Decisions taken for week ending 15 December 2023**

<b><u>Cabinet Spokesperson</u></b>	<b><u>Item</u></b>	<b><u>Decisions</u></b>
1. Children's	Appointment of Members to the Independent Panels for Appeals Relating to Admission to School, Independent Review Panel for Exclusions, and Home to School Transport Appeals	That the Cabinet Spokesperson gives approval for the persons listed at Appendix 1 of the report to be appointed as Independent Appeal Panel Members with effect from 1 January 2024 for 3 years until 31 December 2026.

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**BARNSELY METROPOLITAN BOROUGH COUNCIL**

**CABINET SPOKESPERSONS' DECISIONS**

**Schedule of Decisions taken for week ending 22 December 2023**

<b><u>Cabinet Spokesperson</u></b>	<b><u>Item</u></b>	<b><u>Decisions</u></b>
1. Environment and Highways	Sport England Pool Support Fund – Secured Funding	To receive £400,000 of funding from Phase 1 of the Sport England Pool Support Fund.  To pass the funding to Barnsley Premier Leisure (BPL).  To monitor the associated conditions as per the funding agreement.
2. Environment and Highways	Barnsley BikeAbility Project – Secured Funding	To agree to receive the BikeAbility Grant of £186,440 for 2024/25 and 2025/26 (total value £372,880).  To authorise the Sport and Physical Activity Team to deliver a tendering process for the delivery of the BikeAbility Programme in Barnsley.

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## BARNSELEY METROPOLITAN BOROUGH COUNCIL

**REPORT OF:**           **DIRECTOR OF FINANCE, S151 OFFICER**

**TITLE:**                 **CONTRACT PROCEDURE RULE AMENDMENTS**

<b>REPORT TO:</b>	<b>CABINET</b>
<b>Date of Meeting</b>	<b>10 January 2024</b>
<b>Cabinet Member Portfolio</b>	<b>Core Services</b>
<b>Key Decision</b>	<b>Yes</b>
<b>Public or Private</b>	<b>Public</b>

### **Purpose of report**

- 1.1. To outline the proposed changes to the Contract Procedural Rules (CPR) which were unable to be completed in the last revision in 2019 and changes required to ensure compliance with Procurement Audit of 2020
- 1.2. To seek approval of the proposed recommendations and the implementation of the revised Contract Procedure Rules across the Council.
- 1.3. To update on the proposed changes to national procurement regulations and potential impact.

### **Council Plan priority**

The proposed revisions to the Contract Procedure Rules are aimed to ensure the Council can fulfil its Enabling Barnsley commitments of being a modern, inclusive, efficient, productive and high performing Council.

### **Recommendations**

That Cabinet recommend that Council:-

- 1. Approve the revisions to the Contract Procedure Rules detailed below for publication on the Council’s website**
- 2. Acknowledge that further revisions will be required to the Contract Procedure Rules in 2024 once more information is known about the Procurement Bill (Transforming Public Procurement) and its implementation date.**

## **1. INTRODUCTION**

- 1.1 The Contract Procedure Rules are established to provide Officers, Members and the public with an understanding of how the Council purchase and enters into contract for goods, works and services.
- 1.2 This would include maintained schools and circumstances when the Council is the Accountable Body, such as when purchased for Berneslai Homes. They aim to ensure a system of openness, fairness, and transparency and facilitate the Council achieving best value from its funding.
- 1.3 A proposal for revisions was taken to Audit Committee in January 2023, however, additional clarification was requested and therefore these were not progressed, and the Project Team took away actions to provide additional detail in the document to provide clarity.
- 1.4 A Project Team including senior officers from procurement, purchasing, contract management, finance, governance, audit and legal have progressed this comprehensive review.
- 1.5 The rules were last revised in July 2023, as an interim measure to revise the values for notice publication to reflect transparency requirements updated by Cabinet Office, more flexibility in the purchasing of goods, works and services up to £50,000, and an allowance for the appointment of agency staffing up to £70,000 to allow more efficient processes. These were implemented immediately whilst the full review of the rules was progressed.
- 1.6 Prior to that, the last revision made to CPRs was in 2019 that reflected changes due to the introduction of the Strategic Procurement and Contract Management Team.
- 1.7 The proposed amendments reflect the recommendations of the 2022 Arum review which was commissioned to support the zero-based review of the Strategic Procurement and Contract Management Team to inform a transformation action plan for the function to better support the Council and its strategies moving forwards.
- 1.8 The amendments also reflect on feedback from the Arum Review and the Council's Red Tape initiative to look at ways to ensure the rules are clear for all Council Officers, Members and the public to understand, reducing unnecessary bureaucracy in processes, but strengthening the focus on value for money to ensure best value is sought in all contracts through procurement and contract management.
- 1.9 The provision of clear policy, procedure and supporting documentation for all Officers involved in procurement and contract management will support robust and effective processes which will provide opportunity to plan properly and ensure responsible officers are able to accurately manage expenditure and budgets to align to their Council's medium term financial strategy.

- 1.10 These Rules should be read and acted upon in conjunction with the Council's Constitution and Financial Regulations, the Scheme for Financing Schools, the Codes of Conduct for Officers and Members, the Council's Commercial Strategy and the additional guidance provided by the Strategic Procurement and Contract Management Team.
- 1.11 These changes are being made in advance of the planned reforms to the UK procurement regulations, which are currently in the final stages of approval by Government and expected to be implemented in Autumn 2024. Every effort has been made to align these changes to current best practice promoted by the Cabinet Office to prepare for these changes, however it is expected further substantial changes will be required to these rules to align to the new regulations when implemented.
- 1.12 Minor amendments will be required 1<sup>st</sup> January 2024 to reflect the FTS threshold changes which will be updated from this date.

## **2. PROPOSAL**

**2.1** To support the transformation recommendation of clear policy, procedure and supporting documentation the Contract Procedure Rules have been amendments and additions are proposed in the following areas;

- Value for money/Best value
- Contract management
- Roles and responsibilities and accountability
- Social Value
- Sustainability
- Thresholds
- Grants/Subsidy Control
- Approvals documents
- Exemptions
- Pre market Engagement/Market research/Market shaping
- Pipeline sharing
- Timelines for the procurement process

**2.2** In the review of the Rules the following areas have been updated as well to support operational understanding as well;

- Updates to legislation
- Definitions on Concession Contracts
- Requirements of in-house Service Level Agreements
- Conflict of Interest signed by all procurement participants
- Rejection of late Standard Questionnaires, Quotations and Tenders
- Record of all procurement documentation
- Second Signature for contracts under £100K
- Waiver process

- Submission and Opening of Quotations and Tenders
- Exceptions to Requirements of Competition
- Electronic signatures.

### 2.3 Value for Money/Best Value

The definition of value for money has been added and will align to future updates of this in the Commercial Strategy, which is being updated in 2024 and the Financial Regulations which are also in the process of being updated.

The definition is taken from the Cabinet Office recommendations as securing the best mix of quality and effectiveness for the least outlay over the period of use of the goods/ services bought. It is not about minimizing up-front costs but based on the four Es;

- economy – minimising the cost of resources for an activity ('doing things at a low price')
- efficiency – performing tasks with reasonable effort ('doing things the right way')
- effectiveness – the extent to which objectives are met ('doing the right things').
- equity - This reflects the extent to which services are available to, and reach, the people they are intended for, and whether the benefits from the services are distributed fairly.

When considering 'outlay', the key factor is whole life cost, not lowest purchase price. Whole life cost takes into account the total cost over the life of a contract, including capital, maintenance, management, operating and disposal costs, and can be very different from initial price.

The estimating contract value form has also been revised to better explain how procuring officers should look to estimate the potential value of a contract, in order to accurately define from the outset the budget required and validate bids received in a procurement or pricing process to align to this.

The changes to the CPR also introduce Best Value documents for single quote and multiple quote processes to ensure a record of the procuring officer's approach to ensuring best value on all contracts to support and encourage best practice.

For procurements which will be led by the Strategic Purchasing, Procurement and Contract Management Team the Procurement Event Approval Document will be used to confirm this, as is standard practice already.

The new forms and processes proposed as part of the CPR amendments are aimed to ensure that responsible officers have a clear understanding of the need to plan properly and ensure that contracts are delivering outcomes and outputs in line with expectations within their defined budget.

### 2.4 Contract Management

Further information has been added to the CPR to outline the approach to contract management which should be taken for all contracts.

The CPR now define the roles and responsibilities of those involved and how the procurement process should consider contract management requirements to include appropriate mechanisms which will ensure performance in line with requirements and value for money is achieved.

The methodology for contract management has been developed in accordance with Government guidance and toolkits including a version of the Contract Tiering Tool to assess all contracts on the basis of a score achieved across the following criteria;

- Value
- Risk
- Information security considerations
- Social value and sustainability considerations
- Complexity of the contract
- Complexity of the supply market.

The CPR now include a requirement to tier all projects at the procurement stage and develop a Contract Management Plan to define appropriate roles and responsibilities, support performance management and delivery of contract outputs and outcomes.

The defined roles include Contract Managers, Service Lead and Senior Responsible Officers (SRO).

A toolkit will be made available to officers to support the activity associated with contract management proportionate to each tier. This will include documentation to support monitoring and measuring performance of the contract as well as managing cash flow and the change control process to ensure alignment to budget allocated.

On review of the current Council contracts the tiering shows the following split across Directorates and SROs;

Directorate	Category	Gold	Silver	Bronze	Total	SRO's	Contract Managers
Childrens Service	Health & Care	0	2	7	9	-	5
	Corporate	0	0	1	1	-	1
	<b>Totals</b>	<b>0</b>	<b>2</b>	<b>8</b>	<b>10</b>	<b>1</b>	<b>6</b>
Core Services	Corporate	1	5	19	25	-	19
	H E&T	0	1	2	3	-	1
	IT	8	18	111	137	-	3
	Operational FM	5	0	1	6	-	3
	<b>Totals</b>	<b>14</b>	<b>24</b>	<b>133</b>	<b>171</b>	<b>4</b>	<b>26</b>
Growth & Sustainability	Capital	0	1	20	21	-	20
	Corporate	0	3	31	34	-	16
	H,E&T	2	7	20	29	-	9
	Operational FM	3	5	20	28	-	12
	<b>Totals</b>	<b>5</b>	<b>16</b>	<b>91</b>	<b>112</b>	<b>4</b>	<b>57</b>
Health & Adults Social Care	Health & Care	1	2	1	4	-	3
	<b>Totals</b>	<b>1</b>	<b>2</b>	<b>1</b>	<b>4</b>	<b>2</b>	<b>3</b>
Public Health & Communities	Corporate	0	0	5	5	-	5
	H,E&T	0	3	0	3	-	3
	Health & Care	2	8	20	30	-	20
	<b>Totals</b>	<b>2</b>	<b>11</b>	<b>25</b>	<b>38</b>	<b>5</b>	<b>28</b>
<b>Overall</b>	<b>Totals</b>	<b>22</b>	<b>55</b>	<b>258</b>	<b>335</b>	<b>16</b>	<b>109</b>

## 2.5 Roles and Responsibilities

2.6 An Appendix A to the CPR has been developed to outline the core responsibilities of the key officers involved in the procurement and contract management process to ensure this is fully understood across the organisation and supports ownership and accountability and a strong culture associated with procurement and contract management to drive best practice across the organisation to deliver value for money and the opportunity to maximise the use of our funds.

## 2.7 Social Value

Social value outcomes are considered and embedded into Council contracts, by utilising the social value toolkit which helps us evaluate social value proposals and manage the providers performance in delivering the outcomes.

The toolkit also supports suppliers to develop action plans to enhance their social value capability. Contract procedure rules have been updated to mandate the consideration of social value within procurement activity.

The Procurement Bill requires that all contracting authorities have due regard to a set of national strategic priorities set out in a published National Procurement Policy Statement and actions for Social Value which emphasize;

- creating new businesses;
- new jobs and new skills;
- tackling climate change and reducing waste; and
- improving supplier diversity, innovation and resilience.



## 2.8 Sustainability

There are significant environmental financial, reputation, business and community risks associated with our work to ensure the Council achieves its ambition to be Zero Carbon by 2040 and that the Borough can be zero carbon by 2045. Present delivery performance trajectory means we will likely miss the targets without significant changes.

As a result, the CPRs have been updated to ensure that carbon reduction initiatives are considered in procurements aligned to the Council's ambition to achieve net zero carbon in its Sustainable Energy Action Plan.

Further work is being undertaken by the sustainability and procurement teams, alongside Enterprising Barnsley and external partners such as Go4Growth to look at development of suppliers to have an organizational Carbon Action Plan so that in future the procurement process can include a requirement for this to be submitted and part of the evaluation process. This cannot be implemented at this point as the supply chain is not developed enough in this matter but will continue to be monitored for a future iteration of these rules.

## 2.9 Thresholds

To streamline procurement processes and provide efficiencies for both the Council and suppliers the minimum value for undertaking a competitive procurement exercise through requesting at least 3 quotes will remain at £50,000 (As approved in July 2023 revision).

The requirement for preparing a business case in support of this has been removed, however a Best Value form is being implemented for all contracts at £5000 and above to capture information on how this can be demonstrated.

It is still a requirement of the Service commissioning goods, services or works below £50,000 to ensure they are complying with transparency requirement to publish contracts to the Contracts Register at £5,000 and above and contracts to Contracts Finder at £25,000 and above.

Analysis of the purchase order information for 21/22 and 22/23 show that approximately 80% of all spend is via purchase orders (In SAP SRM7) of £5000 or less, with an average of 95.5% of all works orders (In SAP EEC6) falling below this threshold as well.

Around 10% of all orders are between £5000 and £50,000 so these would now be subject to a best value form and confirmation by the Procuring Officer they have sought value for money.

The threshold at which the Strategic Procurement Team will be required to lead the procurement and the tender must be published to the open market has been increased back to £100,000 for goods and services. The value for works contracts has been increased to £250,000, based on the higher overall value of works in comparison with goods and services and the higher FTS threshold which applies.

The threshold for Area Council procurements and the exemption for specialist temporary skills from an agency sourced via an alternative to the corporate temporary recruitment contract have been uplifted to align to these values.

These revisions are aimed to;

- Give Services more flexibility in low value, routine purchases to invest their resources in ensuring value for money/best value
- To allow a more efficient and streamlined process for requesting quotes between £50,000 and £100,000 for both Council Officers undertaking the process and the providers who are being asked to price.
- Give an increased opportunity for local providers to price for contracts to a higher value before the procurement is subject to open market competition to support local spend and social value
- Reflect the impact of inflation and other market factors on the cost of the goods/services and works being procured since the thresholds were last changed.
- Reflect the planned approach to contract management and tiering of contracts and the principle of contracts up to £100,000 being categorized overall as bronze and therefore could be managed wholly in Service with limited risk to the Council.
- Allow the revised structure of the Strategic Purchasing, Procurement and Contract Management Team to focus on leading contracts where the tiering of contracts will be silver and gold so more specialist expertise can be used to ensure the correct procurement and contract management strategies are employed to ensure value for money/best value and mitigate risk to the Council.
- Align the Council to Cabinet Office recommendations in the Sourcing Strategy that procurement processes should be of proportionate duration and effort to the size and complexity of the contract opportunity. By making our procurement processes unnecessarily complicated or protracted, we risk minimising the pool of bidders and stifling competition.

It should be noted that it is often not the case that a contract will result in one purchase order, so with the current data it is challenging to understand what the level of contracted spend is but the Procurement Team is working on a revision to the SAP system to allow each procurement to generate a contract in the system which all purchase orders will then be linked to. This will allow a better understanding of contracted spend and the ability for the Procurement Team to focus on increasing the value and volume of spend which is part of a formal contract which is subject to contract management to ensure value for money is being assessed.

## 2.10 Grants / Subsidy Control

Grants have been incorporated with specific guidance relating to grants given by the Council to ensure its interests are protected.

Awareness of Subsidy Control rules (Which came into force in January 2023) and State Aid (For those grants issued before January 2023) have been

included as these are specific to grants and there are consequences for the Council if the rules are broken.

The new CPR's also link to a new Grants register detailing awards given by the Council.

## 2.11 Approvals Documents

The requirement for Officer Decision Records (ODR) for any procurement up to the current delegated Officer authority, which is £250,000, has been removed. This is to align to the Constitution where there is a mandatory requirement to publish decision of Cabinet and Spokesperson. The publication of the contract on the Contracts Register would ensure the Council is meeting its mandatory requirements to publish decisions.

The Procurement Event Approval Document (PEAD) used for all procurements which are led by Strategic Procurement will be used to capture the business case, approval of funding, procurement strategy and recommendation to award for each procurement to ensure the paperwork associated with each is consistent and not duplicated.

The business case was considered a duplication of business planning and budget management activity conducted by Services and the PEAD Stage 1 has been removed as well.

The removal of the duplicated documents from the process should provide efficiencies for Services which will allow additional time to focus on other elements of the process to procure and contract manage.

## 2.12 Exemptions

In order to provide a direct route to appoint, where there is no opportunity to procure via a competition the following exemptions have been added to the CPR;

- Mandatory works by statutory undertakers, such as utility companies
- External or grant funding to be allocated in accordance to set terms, for example use of specified contractors for works being funded by the grant
- The creation or acquisition of a unique work of art or artistic performance
- Renewals where the supply is restricted to the original supplier.

This will reduce the number of waivers which are progressed as an exception to competition which are unavoidable and provide efficiencies for Services and those who had been required to approve these.

## 2.13 Exceptions to Competition/Waivers

The waiver process has been amended to change the stage at which this is completed and also who is required to approve.

The CPR have been amended to have the waiver process agreed before the agreement of the requirement with the proposed provider to ensure that only exceptions to competition which have been approved have the relevant documentation developed, to save Officer time on potentially abortive work.

For waivers up to £100,000 for services and £250,000 for works the accountable Service Director and Executive Director will be the only signatures and they will be responsible for ensuring level of check and challenge is used to assess the rationale for the waiver.

For waivers above £100,000 for services and £250,000 for works the approval will be provided by;

- Accountable Service Director
- Accountable Executive Director
- Service Director – Law & Governance
- Director of Finance (S151 Officer).

Whilst the Head of Service for Procurement and Contract Management has been removed from the authorising signatures, where the reason for a waiver is strategic or tactical the Procurement Team must be consulted to provide check and challenge to the rationale before signatures are sought, regardless of value.

These aim is to ensure this reason is being used appropriately and that any requirement for a future procurement is captured on the forward plan of procurement activity to avoid any future waivers.

For waivers over £100,000 for goods and services and £250,000 for works the Procurement Team would continue to lead the procurement and would be responsible for ensuring a contract is put in place and all notices published in line with transparency requirements.

The Procurement Team will continue to log and monitor waivers and undertake dip sampling to ensure they are being completed for the appropriate reasons to allow reporting back to the Senior Management Team to ensure visibility of their use and any associated risks.

A review of waivers year on year shows that these have been declining in number in the up to £50,000 bracket, as is the case with those which are £50,000 - £70,000 however the volume of £100,000 and over continues to increase;

Waiver Value (£)	16/17	17/18	18/19	19/20	20/21	21/22	22/23	23/24 YTD
0	10	1	0	2	0	0	1	0
1 to 9,999	51	86	112	18	4	1	1	0
up to 50,000	101	179	222	95	55	79	55	14
50,001 to 70,000	7	15	15	18	11	14	11	8
70,001 to 99,999	14	9	10	6	5	16	9	7
100,000+	15	16	19	20	14	25	31	15
<b>Total</b>	<b>140</b>	<b>219</b>	<b>266</b>	<b>139</b>	<b>86</b>	<b>135</b>	<b>107</b>	<b>44</b>

The change in the thresholds from £70,000 to £100,000 should allow scrutiny to be more focused on these waivers and their root cause and allow a more strategic approach to looking at ways to procure competitively for future requirements.

#### 2.14 Pre-Market Research/ Market Engagement

The need to consider the market and the suppliers in the market is now included in the CPRs to ensure procurements are developed to deliver a better outcome whilst maximising competition and improved supply chains for the Council.

This is aligned to government guidance shared by the Cabinet Office in the Sourcing Playbook (June 2023) and the Construction Playbook (Sept 2022) which encourage all potential outsourcing projects to include an assessment of the market early on during the preparation and planning stage and preliminary market engagement should actively seek out suppliers that can help to improve service delivery, including Small and medium-sized enterprises (SMEs) and Voluntary, Community and Social Enterprises (VCSEs) who are experts in their specific field and widely involved in the delivery of public services across the country.

This is an important exercise to support ensuring an accurate estimate of the potential value of the contract to ensure that value for money can be accurately assessed at the evaluation stage.

This process will also ensure that Providers are made aware at the earliest opportunity what the Council is planning from its procurements and contracts and has sufficient time to prepare and should stimulate the supplier market, including small and medium-sized enterprises (SMEs) and voluntary, community and social enterprises (VCSEs), to make it aware of future opportunities, ensuring a competitive market exists.

#### 2.15 Timelines for the Procurement

The need for Services to provide information to the Strategic Procurement and Contract Management Team of potential contracts over £100,000 at the earliest known point has been added, to enable a more accurate commercial

pipeline being collated by the Strategic Purchasing, Procurement and Contract Management Team.

At present the Council publishes its forward procurement pipeline every six months to provide the supply market with insights into expected opportunities.

This aligns to the current Cabinet Office recommendations for all Contracting Authorities to have a commercial pipeline, which is published to the market.

Whilst this is not mandatory it is considered best practice and will prepare the Council for the requirements of the national procurement reforms.

The Procurement Bill once introduced will require publication of procurement pipelines by all government bodies who expect to spend over £100million in a financial year for all contracts (exemptions apply, such private utilities and national security contracts) over £2million within 56 days of the start of the relevant financial year. It is envisaged that this information will be provided on a pipeline notice and be available on the single, central platform.

References to a minimum timeline for the tender period have been amended to make it clear this should be maximised to allow bidders sufficient time to collate a comprehensive response. This should help to provide efficiencies in relation to the evaluation process, but also reflect feedback from key stakeholders in the voluntary sector that more time is needed for smaller organisations who don't have any dedicated resource to complete tender documents.

## 2.16 Operational Amendments - Updates to Legislation

Following the UK exit from the EU the rules have been updated to remove references to EU related documentation, such as OJEU publication, which has been replaced by FTS.

The references to the EU GDPR Regulations have also been removed.

The definition of regulations in the CPR has also been updated to include the Provider Selection Regime (PSR) which relates to additional provisions planned for implementation by the Government in January 2024 to allow healthcare related services to be contracted for without the need for a competitive procurement exercise. It will still be necessary for those commissioning services of this nature to consider value for money and the appropriate form of contract or service level agreement (If being commissioned from another public sector organisation) to ensure the contract manager for the agreement has the ability to manage the agreement proactively against defined performance measures and budget.

## 2.17 Concession Contracts

The Council awards a number of concession contracts which are income earning contracts to the Council. The new CPRs recognise this type of contract which is currently used and provide clarity on the rules relating to their use.

## 2.18 In-house Service Level Agreements

The revised rules contain guidance on essential elements that should be included in any SLA to ensure this is robust and allows effective management during the term, in line with a contract approach.

The rules have also been updated to reflect changes as a result of insourcing construction related activity and the ending of the NPS Barnsley relationship in April 2021.

## 2.19 Conflict of Interest

All participants within a procurement process should sign a conflict of interest form to ensure any conflicting interests are declared to maintain the integrity of the procurement process.

## 2.20 Rejection of late Standard Questionnaires, Quotations and Tenders

Revision to CPRs ensures wording covers all stages of the procurement process are treated the same if submitted after stated deadlines.

## 2.21 Record of all procurement documentation

CPRs require that all documentation from the procurement process should be recorded and stored within the e-tendering system for audit purposes and on SharePoint to ensure they would remain available if the Council was to reprocur its e-tendering system.

## 2.22 Second Signature for contracts under £100,000

The revised CPRs have clarified who the second signature should be for signing contracts under £1000,000, The signatory should be a person with delegated authority and who has responsibility for the contract procured and its ongoing management.

## 2.23 PEADs for Contract Variation/ Novation/Extensions

The revised CPRs require a new set of documents to be completed on all contracts with a value of over £100,000 to ensure all the correct contractual, governance and processes are performed before any variation is enacted, extension to a contract is authorised or contract novated to a new contractor.

CPRs have also been updated to contain the requirement to publish a Modification Notice where the Regulations apply and there has been a variation to a contract.

## 2.24 Estimating Contract Values

Guidance has been developed to clarify how contract values are estimated prior to a procurement process which is aimed to provide Services with information to fully understand what should be included in relation to the term

of the agreement and what elements of costs should be considered, linked to whole life cost assessments.

It is encouraged in this document that Services engage with potential providers to inform this estimate to ensure value for money is properly understood.

#### 2.25 Submission and Opening of Quotations and Tenders

The requirement for 2 independent verifiers has been removed as there is a full audit trail in the e-tendering system.

#### 2.26 Exceptions to Requirements of Competition

The revised CPRs have been updated to contain the requirement to publish a Voluntary ex ante Transparency (VEAT) notice where the Regulations apply, and a procurement exercise is not undertaken.

#### 2.27 Revised Thresholds

As the thresholds for FTS are subject to a bi-annual review the specific references to values have been removed from the Rules to prevent additional changes solely for this purchase and the Aide Memoire updated as a reference guide which can be changed more easily. Since the last revision of the contract procedural rules, the FTS thresholds have been revised along with the requirement to value contracts inclusive of VAT, which has been highlighted in the Rules and the supplementary guidance documents.

This will need to be amended again on 1<sup>st</sup> January 2024 when the new thresholds come into place.

#### 2.28 Change in value when publishing Contracts Finder Notices

The thresholds for publication were updated in the July 2023 amendments but noted here for reference.

#### 2.29 Electronic signatures

The CPRs have been amended to state that electronic signatures should be used where possible. This is already something which is supported for contracts which are executed under hand and the process for executing contracts under deed electronically is also under consideration by Legal Services.

This process provides significant efficiencies as it allows contracts to be issued and approved in a much shorter timeline and removes supplier and officer time in printing, posting, scanning and storing physical documents and provides an accessible electronic record for future reference.

The Procurement Team are also looking to implement the use of electronic signatures and a workflow approach for the other documents associated with



the CPR, such as the PEAD, waiver, best value forms to allow efficiencies to be realised in these processes as well.

### **3. IMPLICATIONS OF THE DECISION**

#### **3.1 Financial and Risk**

There is no financial ask associated with this report and the recommendations.

The clear definitions on roles and responsibilities for Officers should provide a clear structure to mitigate risk associated with the procurement and contract management process.

#### **3.2 Legal**

Legal Services have been part of the working group to progress and agree amendments to the Rules and legal implications to the changes to the Contract Procedure Rules are explained within the report.

#### **3.3 Equality**

Equality Impact Assessment (EIA) Pre-screening completed determining full EIA not required, however the CPR do include the requirement for the Lead Officer to consider completion of EIA to ensure application of our due regard to the Public Sector Equality Duty.

#### **3.4 Sustainability**

Decision-making wheel not completed as this report is recommending a change to Council rules rather than purchase or other matter, however given the importance of the climate emergency and Barnsley Council's organisational and borough-wide commitments, it has been included in the document subject to the level of the contract, all procurement should consider the relevant high-level environmental, social, economic and governance aspects pertaining to sustainability and climate change.

#### **3.5 Employee**

The amendments to the rules will require a programme of communication to ensure all officers are made aware of the changes and the impact to their current and future procurement and contract management activity.

As part of the transformation of the purchasing, procurement and contract management team there will be a programme of engagement with services all at strategic and operational level to ensure the rules are understood and officers are clear on their roles and responsibilities and what has changed and the reasons for it. This employee engagement will tie in strongly with the emphasis of the medium term financial strategy (MTFS) and commercial strategy to ensure that all employees understand it is part of everyone's role

to ensure value for money from our expenditure.

This engagement will involve members of the purchasing, procurement and contract management team attending directorate management team meetings and then heads of service forums and operational team meetings where required.

There will also be a requirement for elements of skills development for officers who are responsible for procurement which will also be addressed as part of the new training materials and guidance which is being developed currently.

As a more formalised approach to contract management is a fundamental change to current approach there will be a phased roll out of the contract management toolkit, including the contract management action plan to ensure this is properly embedded and lessons are learnt to inform the wider roll out.

The phased roll out will focus initially on the Gold Tier contracts and the contract management team will run specific training sessions for SROs and Contract Managers to support the development of the contract management plans for each agreement (If not already in place) and then the skills development required to ensure they can effectively deliver their responsibilities in these roles.

### **3.6 Communications**

If approved the Strategic Procurement Team will implement a programme of communications for the amendments to the CPR to ensure all Council Officers and Berneslai Homes Officers are aware of the changes and will update its training materials and template documentation to include the revisions.

The CPR will also be shared on the internet and the Council information on how procurement and contract management is undertaken will be shared to ensure the public and suppliers are also able to access this information.

## **4. CONSULTATION**

- 4.1 The working group for the proposed changes has included Strategic Procurement, Contract Management, Purchasing, Legal Services, Governance, Audit and Finance.

As part of the development and implementation of the support documentation, training and guidance the strategic procurement and contract management team will be looking to engage with key stakeholders in services to ensure that information prepared to support the understanding of the CPR and the changes is fit for purpose and can be accessed in the right way by anyone who has a role in procuring or contract managing.

## **5. ALTERNATIVE OPTIONS CONSIDERED**

- 5.1 Do nothing – To leave the rules as they are currently stated. This was not

agreed as this would not allow the matters raised by Audit Committee in January or changes required as a result of legislative changes to be incorporated which would mean the rules lack clarity and may result in non-compliance in their application.

## **6. REASONS FOR RECOMMENDATIONS**

- 6.1 Progression of the changes will provide further clarity for all on the roles and responsibilities of Officers in ensuring a robust approach to procurement and contract management and accountable for their actions in relation to this.
- 6.2 The changes will align the Council as a Contracting Authority to best practice in public sector procurement and prepare it where possible for the implementation of the procurement rules reform which is expected to be implemented in 2024.
- 6.3 The changes will allow the Strategic Procurement and Contract Management function to update its training and guidance documentation to better support Officers in achieving value for money from all external expenditure.
- 6.4 The changes look to make efficiencies in processes and documentation to allow more focus on an assessment of value for money and a robust process to procure and manage this.
- 6.5 The changes will allow the Council to take a proportionate approach to both procurement and contract management to ensure time and resource is invested effectively in the areas which offer most benefit and opportunity to reduce risk.

## **7. GLOSSARY**

CPR – Contract Procedure Rules

EIA – Equality Impact Assessment

PCR – Public Contract Regulation 2015

PSR – Provider Selection Regime

SRO – Senior Responsible Officer

## **8. LIST OF APPENDICES**

Appendix 1: Contract Procedure Rules

Appendix A to CPR: Roles and Responsibilities

Appendix 2: Best Value Form (Single Quote)

Appendix 3: Best Value Form (Quotes)

Appendix 4: Waiver Form

Appendix 5: Aide Memoire

Appendix 6: Contract Estimating Guidance

**9. BACKGROUND PAPERS**

If you would like to inspect background papers for this report, please email [governance@barnsley.gov.uk](mailto:governance@barnsley.gov.uk) so that appropriate arrangements can be made.

**10. REPORT SIGN OFF**

<b>Financial consultation &amp; sign off</b>	Neil Copley – 15 October 2023
<b>Legal consultation &amp; sign off</b>	Kate Gothard – 11 October 2023

**Report Author: Jenny Lockwood –  
Post: Interim Head of Procurement and Contract Management**

**Date: September 2023**

**BARNSELY METROPOLITAN BOROUGH COUNCIL**

**CONTRACT PROCEDURE RULES**

**September 2023 Revision 2**

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## **DEFINITIONS**

Accountable Body:	means where the Council is the lead body for another public body
BEIS:	means the Department for Business, Energy & Industrial Strategy
Berneslai Homes:	means Berneslai Homes Ltd, the Council's LATC arms length management organisation of its social housing stock
Best Value Form	Document used as a record of Procuring Officer approach to achieving Value for Money. If a single quote is obtained Best Value (Single Quote), if a quote process is undertaken Best Vale Form (Quote Process)
Concession Contract:	means a contract for pecuniary interest concluded in writing between a contracting authority and an economic operator/(s); where the consideration (or 'payment') is either: - simply that the contractor has the right to exploit (that is, to profit from) the works/services that are the subject of the contract, or - where the contractor has that right together with some payment from the contracting authority
Constitution:	means the Council's constitution particularly 'Terms of Reference of the Full Council, Regulatory Boards and Committees and functions delegated to Officers', 'Responsibility for Executive Functions Officer Delegations' and 'Part 2 the Cabinet'
Contract Manager	Officer responsible for management of a specific contract in line with defined Contract Management Plan
Contract Management Plan	Means a working document summarising all the practical details needed to efficiently manage contracts including objectives, milestones, roles and responsibilities, and key contacts
Contract Management Toolkit	Documentation and guidance to support the management of a contract in line with the contract management plan

Contracts Finder:	means the web-based procurement portal provided by or on behalf of the Cabinet Office
DPS:	means Dynamic Purchasing System. This is a framework agreement where new suppliers can apply to join at any time and it is to be run as a completely electronic process
Executive Director:	means any member of the Council's Senior Management Team or the authorised representatives of any of those officers
FTS:	means the Find a Tender Service
Framework Agreement:	means an agreement, (usually with a maximum duration of up to 4 years), with a supplier or suppliers to establish terms governing contracts that may be awarded during the lifetime of the Framework Agreement.
Grant Agreement:	means an agreement whereby the Council provides monies to an individual or an organisation for a defined purpose, e.g. to deliver a project, provide a function or service without the expectation of any monetary benefit to the Council except the repayment of the monies if the funding terms are not complied with by the recipient.
Gateway Approach:	means a process where a procurement project has review stages which require approval to ensure a procurement project is progressing correctly
GPA	means the World Trade Organisation's Agreement on Government Procurement
Housing Revenue Account (HRA)	the Council's ringfenced income and expenditure account for its own housing stock
Key Performance Indicators	means a quantifiable measure for performance over time for a specific objectives
Letter of Intent:	means typically a letter from an Employer to a contractor (or from a main contractor to a sub-contractor) indicating the Employer's intention to enter a formal written contract for works described in the letter and asking the contractor to begin preparatory



works the scope and extent of which (physical and financial) are outlined in the letter of intent before the formal contract is executed. While a letter of intent may come in many forms, it is essentially a communication expressing an intention to enter a contract at a future date

Light Touch Services: means the social and other specific services listed in schedule 3 to the Regulations

Limited Company Means a company limited by shares or by guarantee

Local Authority Trading Company (LATC) Means a Limited Company which is wholly owned by BMBC or wholly owned by BMBC with other Public Bodies or is owned in the majority by Public Bodies with private enterprise(s) holding a minority interest for capital investment and control of the company lies with the Public Bodies as required under Regulation 12 of the Public Contract Regulations 2015

Member: means a Member of the Council also known as 'Councillor'

Procurement Team: means the Head of Strategic Purchasing, Procurement and Contract Management or person nominated by them

Public Procurement: means public sector expenditure as defined by HM Government

Procuring Officer Nominated officer of the Executive Director who is responsible and accountable for the procurement and alignment to these rules

Records Retention Policy: means the Council's Record Retention Policy located on the intranet within the Records Management Section (Retention Guidelines)

Regulations: means the Public Contracts Regulations 2015

Regulation Thresholds means the values of a contract calculated in accordance with the Regulations and as amended from time to time by legislation in accordance with established Government Procurement Agreement (GPA) practice where procurement opportunities are subject to the Regulations

Rule(s): means these Contract Procedure Rules.

Senior Responsible Officer	Means the Service Director or Executive Director with primary responsibility for the contract, is the primary risk owner, and is responsible for ensuring that the contract meets its objectives, delivers the required outcomes, and realises the required benefits.
SharePoint	The Council's cloud-based storage site for documentation
Small, Medium Enterprise (SME):	means a company with a limited number of employees and turnover
Social Value:	means the requirement to consider social, economic and environmental benefits through procurement
State Aid:	means any advantage granted by public authorities through state resources on a selective basis to any organisations that could potentially distort competition and trade in the European Union (EU)
Subsidy Advice Unit:	part of the Competition and Markets Authority responsible for advice, monitoring and reviewing the operation of the UK subsidy control regime.
Subsidy Control Act:	refers to the Subsidy Control Act 2022 and associated statutory guidance.
Tiering Tool	Means the Council's assessment tool for tiering contracts by value, risk, impact and complexity
Voluntary Sector Organisation (VSO):	means not for profit organisation that has social objectives as its purpose for existence
Value for Money/Best Value	<p>The best mix of quality and effectiveness for the least outlay over the period of use of the goods/ services bought. It is not about minimizing up-front costs, 'four Es' – economy, efficiency, effectiveness and equity:</p> <ul style="list-style-type: none"> <li>• economy – minimising the cost of resources for an activity ('doing things at a low price')</li> <li>• efficiency – performing tasks with reasonable effort ('doing things the right way')</li> <li>• effectiveness – the extent to which objectives are met ('doing the right things').</li> <li>• equity - This reflects the extent to which services are available to, and reach, the people they are intended for, and whether the</li> </ul>

benefits from the services are distributed fairly.

YORtender: means the Council's electronic procurement system

## 1. Introduction

- 1.1 These Contract Procedure Rules set out the procedures to be followed in relation to contracts, whatever the method of payment, such as for the purchase and sale of goods, works and services, entered into by or on behalf of the Council. This would include maintained schools and circumstances when the Council is the Accountable Body. They aim to ensure a system of openness, fairness, and transparency and facilitate the Council achieving value for money.
- 1.2 These Rules should be read and acted upon in conjunction with the Council's Constitution and [Financial Regulations](#), the Scheme for Financing Schools, the [Code of Conduct](#) for Officers and Members, the [Council's Commercial Strategy](#) and the guidance available on the [Procurement Team Intranet Site](#).
- 1.3 All Council procurements and contracts must comply with Public Procurement Principles (equal treatment, transparency, non-discrimination and proportionality), the Government Procurement Agreement, and the Regulations, and, in respect of any EU Legislation with direct effect in the United Kingdom prior to 29 March 2019, any consolidation or restatement of the same into UK law as a result of the United Kingdom exiting the European Union, these Rules and the other matters referred to in Rule 1.2 above. Additionally, where the Council is utilising grant funding, the Subsidy Control Act must be complied with and terms and conditions of grant must be examined closely and complied with. It should be noted that agreements with other public bodies and with Council-owned companies may also be subject to these regulations, and advice should be sought from the Procurement Team and Legal Services.
- 1.4 These Rules do not apply to:
  - (a) contracts of employment which makes an individual a direct employee of the Council. (These Rules do apply to contracts for recruitment agency services and the employment of consultants or agency staff).
  - (b) contracts where there is an urgent requirement to obtain specialist skills on a short-term basis which are not currently available in the Council's structure, where the total value of this requirement is up to and including £100,000, and which cannot be sourced via the corporate temporary recruitment contract.

- (c) agreements regarding the acquisition, disposal or transfer of land for which provision is made within the Local Government Act 1972 and in relation to which Financial Regulations apply (unless the use of land is for development purposes).
  - (d) Mandatory works by statutory undertakers, such as utility companies
  - (e) External or grant funding to be allocated in accordance to set terms, for example use of specified contractors for works being funded by the grant
  - (f) The creation or acquisition of a unique work of art or artistic performance
  - (g) Renewals where the supply is restricted to the original supplier.
- 1.5 All values stated in these Rules are exclusive of VAT unless otherwise stated and are aggregated values of the total value of a specific good, service or works procured by the Council.
- Total values shall not be disaggregated specifically to avoid competition or a specific type of competition.
- 1.6 All Executive Directors are responsible and accountable for ensuring officers within their directorate comply with these Rules.
- 1.7 Any failure to comply with these Rules may result in disciplinary action against the officer(s) concerned. Officers and Members must exercise the highest standards of conduct, integrity and impartiality when involved in the procurement, evaluation, award and management of contracts. The Council's Anti-Fraud, Corruption Policy and [Code of Conduct](#) must be complied with.
- 1.8 Any difference of opinion regarding the meaning of these Rules shall be resolved by the Council's Monitoring Officer.
- 1.9 Proper and accurate records must be kept of all aspects of the procurement process, including steps taken, selection and evaluation of bidders, decisions made, and approvals obtained etc. All documentation must be retained in accordance with the Council's [Records Management Policy](#). Records wherever practicable should be in electronic form and in PDF format and uploaded to the project on YORtender and SharePoint.
- 1.10 These Rules shall be reviewed periodically by the Executive Director, Core Services in consultation with the Council's Procurement Team and other key officers.
- 1.11 These rules also apply to procurements undertaken by the Council's LATCS (e.g., Berneslai Homes where funding is from the Housing Revenue Account).

## **PRE-PROCUREMENT REQUIREMENTS**

### **2. External Grant Funded Procurements**

- 2.1 The purchase of goods, works and services in grant funded projects are subject to rigorous audits to confirm that processes do not infringe the Subsidy Control Act (or EU State Aid Law where the grant was given under that regime) and comply with Public Procurement Law and the conditions of the grant in which the funding was given. Examples of grant funding given under the State Aid regime are the European Structural and Investment Fund (ESIF) which includes European Regional Development Fund (ERDF) and the European Social Fund (ESF) in England, Joint European Support for Sustainable Investment in City Areas (JESSICA).
- 2.2 Failures by grant recipients to comply with the Subsidy Control Act (or EU State Aid Law where the grant was given under that regime), Public Procurement Law and the conditions of the grant funding can lead to the claw back of funding or other sanctions. Depending upon the characteristics of the breach, claw back could be up to 100% of the grant plus interest. Additional procedural rules apply to grants under the Subsidy Control Act, including obligations to publish information on the BEIS transparency register and, for certain types and/or value of grant, to first seek approval of the Subsidy Advice Unit before the grant can be given.
- 2.3 There are separate penalties for breaches of Public Procurement Law.
- 2.4 Where funding is sought to fund a procurement project no part of the Council should apply for the funding unless it has first fully considered and planned how it will be able to demonstrate compliance with the Subsidy Control Act, Public Procurement Law, and the terms and conditions of the grant funding.
- 2.5 Information on procurement rules for ESIF funded projects is given at: <https://www.gov.uk/government/publications/european-structural-and-investment-funds-procurement-documents>

### **3. Social Value/Inclusive Economy**

- 3.1 Under the Public Services (Social Value) Act 2012, the Council is required to consider how goods, services and works, that it procures, improve the economic, social and environmental well-being of the Metropolitan Borough of Barnsley, and furthermore, that as a matter of procurement policy and practice, the Council requires any supplier, provider, consultant or contractor providing goods, services and works to the Council to use all reasonable endeavours to assist the Council to improve the economic, social and environmental well-being of the Borough.

- 3.2 All procurements regardless of value should consider social value / inclusive economy considerations in the requirements of the procurement.
- 3.3 It is a legal requirement for social value to be considered in FTS thresholds procurements and good practice to be considered below threshold. Reference should be made to the [Social Value Policy](#).
- 3.4 All social value outputs shall be recorded detailing the social value achieved including particular case studies. Reference shall be made to the social value guidance on the [Procurement Team Intranet Site](#)

#### **4. Zero Carbon 40/45 Commitment**

- 4.1 All procurements regardless of value should consider the objectives of the Council's [Energy Strategy](#) and whole life costs associated with the contract and where possible include actions that will assist in the delivery of the strategy.

#### **5. Conflict of Interest**

- 5.1 Every procurement process must be free from any allegation of any conflict of interest from all those involved in any part of the process.
- 5.2 All participants in the procurement should sign a conflict of interest form. Template forms are found on the [Procurement Team Intranet Site](#).
- 5.3 For procurements led by the Procurement Team it is their responsibility to manage this process by ensuring the forms are completed by all members of the project team.
- 5.4 The conflict of interest form should be completed at the start of the process and updated when bids are received and retained for audit trail purposes.
- 5.5 Where there is a conflict of interest (COI) involved, the project team must consider the declared conflict and document a mitigation plan which must be approved by the Service Director. If a COI is declared by a member of the evaluation panel, then this person(s) must be excluded from the evaluation panel to avoid exposing the Council to any commercial risk, i.e., supplier challenge.

#### **6. Existing Arrangements**

- 6.1 Before commencing any procurement process the following must be considered.

##### **(a) In-house Providers**

Subject to the exceptions in relation to procurement by Area Councils (see Rule 10), before commencing any proposed procurement process the relevant Executive Director must consider the need to consult any other Executive Director (or in the case of their own directorate the appropriate Service Director) who may be able to provide the works, services, or goods required and/or

consult with the Procurement Team to determine if the services required are already procured as set out below:-.

- (i) to determine whether the works, services or goods can be provided in-house. If so, the relevant Executive Director may decide, subject to Value for Money/Best Value considerations, not to seek competition but to arrange for the works, services or goods to be provided in-house. The relevant Executive Director(s) will record their decision; or
- (ii) where (i) above does not apply, to determine whether the Executive Director/Service Director would like to submit an in-house bid and if so, then they shall be included in the list of contractors invited to quote/tender under these Rules.
- (iii) existing contracts may be in place for works, services or goods required which are provided in-house or through a Council Local Authority Trading Company. Enquiries with the Procurement Team must be made before commencing a new procurement in relation to this.
- (iv) if the Executive Director referred to in 6.1(a) decides to proceed in accordance with Rule 6.1(c) or is otherwise invited to tender, the Executive Director of the in-house service may obtain quotations/tenders in respect of supplies of goods, equipment, services or elements of the works that it is proposed are ordered or sub-contracted from a supplier/sub-contractor to enable a quotation/tender to be prepared. The procedures to be adopted for selection of a supplier/sub-contractor shall be those set out in these Rules subject to the provisions of this Rule 6.1. All other Rules shall apply where applicable.
- (v) every such invitation to a supplier/sub-contractor shall include a statement to the effect that:
  - The quotation/tender is to be used only for the purpose of compiling a tender or quotation for goods, services or works which the Executive Director intends to submit.
  - There is no obligation on the part of the Council to order any supplies, services or work from the supplier/sub-contractor or any other supplier/sub-contractor.
- (vi) all such bids will be treated as confidential and will not be used other than for the purposes for which they are sought.
- (vii) where goods, services or works are provided by in house service to other Council departments, then a service level agreement between the two parties is required, detailing as a minimum:

- The goods, service or works to be provided
- The charge to be made
- Time period the service will be provided
- Roles and responsibilities involved in providing the service

(b) Corporate Contracts

- (i) where a corporate or framework contract may be in place for works, services or goods, this should be utilised rather than sourcing alternative providers in circumstances where the scope, overall estimated value and term of the contract allows.

(c) Collaborative Procurement Arrangements

- (i) consideration should be given to whether any existing collaborative arrangements would be appropriate. Collaborative procurement arrangements include procurement arrangements with another local authority, government department, or frameworks available through a public service purchasing consortium.
- (ii) due diligence needs to be carried out to ensure the legal requirements have been met and it is appropriate and suitable for the Council to make use of any such arrangement. Legal Services and the Procurement Team should be contacted for advice in connection with this process.

6.2 The rules below set out what should be considered before undertaking any procurement activity. Prior to undertaking procurement activity officers must ensure that:

- (a) they take all necessary legal, financial (including insurance) and other professional advice (for example procurement, health and safety and risk management). Officers should have regard to current Council policies, procedures and standard documentation available on the [Procurement Team Intranet Site](#).
- (b) a contract value is calculated (irrespective of the method of payment) in accordance with public procurement rules (irrespective of whether they apply) as explained in [Estimating Contract Value](#) guidance. This will include, amongst other things, the whole life costs for the full duration of the contract and any optional period of extension and any maintenance or continuing costs. Contracts should not be artificially divided into two or more separate contracts in an attempt to avoid these Rules or the Public Contract Regulations.



- (c) Officers must ensure that they have obtained the necessary approval(s) to authorise the expenditure, procurement or sale of goods, works or services in accordance with the Council's constitution. (The approval of a delegated officer, Cabinet Spokesperson, or Cabinet, or Council whichever is required in accordance with the Council's Constitution).
- (d) the Council's requirements are clearly documented in the form of a specification and an explanation of the detailed outcomes and performance standards that need to be met to achieve the Council's requirements, as the circumstances dictate. This is an important exercise since this document will form part of the contract documentation.
- (e) every effort is made to make the best of the Council's buying power by aggregating purchases whenever possible. Although consideration should be given in all cases to whether it is appropriate to divide the Council's requirements into smaller lots where there is an economic or social value to the council resulting from the lotting.
- (f) they are satisfied that key stakeholders including Members, have been identified and consulted.
- (g) any risks associated with the procurement/contract are identified, assessed and recorded together with the actions required to manage and maintain them at an acceptable level as part of the procurement and into the contract management phase.
- (h) in relation to contracts led by the Procurement Team a [Procurement Event Approval Document](#) (PEAD) process shall be used as a gateway approach.
- (i) the course of action taken will represent Value for Money for the Council and consideration given where applicable to the requirements of the Public Services (Social Value) Act 2012.
- (j) with the exception of procurement by Area Councils (see Rule 10) existing arrangements are considered and utilised where appropriate and after taking advice in accordance with 6.1 above, such as in-house providers, corporate contracts and existing collaborative procurement arrangements.
- (k) an initial equality impact pre assessment check and an initial data protection impact assessment is carried out to ascertain whether a detailed [Data Protection Impact Assessment \(DPIA\)](#) or Equality Impact Assessment (EIA) is required to inform the procurement process and subsequent contract management phase. A link to the EIA toolkit can be found on the [Procurement Team Intranet Site](#). DPIA guidance can be obtained from Information Governance. The requirement to perform the pre assessment applies to all procurements regardless of value to ensure compliance with Data Protection Act (2018) and the Equalities Act (2010). Where the procurement is for Berneslai Homes the specific Berneslai

Homes EIA and DPIA approvals process and templates agreed with Equalities and Information Governance will be followed.

- (l) taking all necessary advice, the procurement is properly categorised for the purpose of the Regulations, including whether as works, supplies or services, and that any Light Touch Services are correctly identified.
- (m) before quotations/tenders are invited, the award criteria must be recorded in writing, including the basis for assessing price or cost, any quality criteria, any social value criteria and all weightings. The criteria, sub-criteria and weightings should be made available to bidders simultaneously as early as practicable in the procurement process and not later than the invitation to tender/quotation stage. Sub-criteria and weightings cannot be used which have not previously been brought to a bidder's attention. More information is available on the [Procurement Team Intranet Site](#).
- (n) the Procurement Event Approval Document (stage three- Procurement Strategy) must include the following for all procurements led by the Procurement Team:
  - the Price / Quality /Social Value split
  - the reasons for the Price / Quality / Social Value split.

## **7. Pre-Market Engagement /Market Research**

- 7.1 Pre-market Engagement/Market Research should be undertaken prior to any procurement to enable the following:
- an understanding of the market's ability to deliver
  - to enable feedback from the market on the proposed procurement methodology prior to the procurement
  - raise awareness and gauge the level of interest of the procurement in the market
  - to understand the value of the contract being tendered to ensure the estimated contract value is accurate and Value for Money can be measured.

## **8. Grants**

- 8.1 Grants can be considered as a means of funding a third-party organisation to provide specialist services direct to residents or to obtain strategic services from a provider with the particular specialist skills but must not be used as an alternative to circumvent a competitive procurement process.
- 8.2 A designated officer should be appointed to manage the grant from conception to completion. The officer shall consult with Legal Services before award of any grant funding, to ensure that correct documentation is put in place and that the grant complies with the requirements of the Subsidy Control Act.

The following should be considered as a minimum:

- if a Grant Agreement is the most appropriate form of documentation to adopt;
- the source of the funding, and compliance with terms and conditions of any external funding body;
- compliance with the Subsidy Control Act (including procedural requirements);
- clear terms and conditions of grant between the Council and the recipient setting out:
  - a clear description of the scheme and the aims and objectives of the grant (the purpose)
  - value of grant and a clear description of how money should be spent;
  - eligible expenditure terms, which prohibit improper expenses
  - data protection / equality issues
  - audit/ assurance
  - agreed outputs/ KPIs/ milestones/ longer term outcomes
  - financial and activity-based reporting and validation
  - payment suspension and claw-back and grant termination

8.3 All Grants shall be recorded on the Council's [Grant Register](#)

8.4 In addition, the Subsidy Control Act requires some grants to be published on the BEIS transparency register within 3 months of the grant being given. Officers should consult with Legal Services and contact [subsidy@barnsley.gov.uk](mailto:subsidy@barnsley.gov.uk) to ensure that grants are correctly published where required under the Subsidy Control Act.

## 9. Concessions

9.1 Before any Concession Contract procurement is commenced a Business Case must be produced to demonstrate that a Concession Contract is appropriate and viable.

9.2 Advice on commercial arrangements and contract terms and conditions must be obtained from the Procurement Team, Director of Finance (Section 151 Officer) and from Legal Services.

9.3 Advice from Legal Services and Procurement Team must be sought prior to commencing any work on compiling a proposal or tender to determine if the Council has the power to enter into the contract.

## 10. Procurement by Area Councils

10.1 The objective of procurement from the Area Councils' commissioning budget is to meet area priorities through contracting with local businesses and voluntary organisations in order to support market development and growth in that sector. Any activity will seek to maximise social value and local content.

10.2 Accordingly, Rule 6.1 will not generally apply in the case of procurement from the Area Councils' commissioning budget. However, the Service Director for

Stronger, Safer and Healthier Communities shall liaise with Service Directors across the Council at the appropriate time in the commissioning cycle to discuss the commissioning intentions of Area Councils and areas of potential tension and opportunity.

- 10.3 Where the estimated value of the contract is less than £100,000 and there are sufficient and capable organisations with a presence in the local economy, only those organisations will be invited to tender. In exceptional cases only, where there are no such organisations, the Service Director for Stronger, Safer and Healthier Communities may, at their discretion, invite the relevant in-house service to tender, subject to maximising the local contribution to the supply chain.
- 10.4 Where the estimated value of the contract is £100,000 or more, but not in excess of the relevant FTS threshold defined in Rule 14.9, the Service Director for Stronger, Safer and Healthier Communities will invite the relevant in-house service to tender only if there are insufficient local business and voluntary organisations in the local economy. Otherwise, the in-house service will not tender.
- 10.5 Normal contract procedure rules will apply for contracts at or in excess of the relevant FTS threshold.

## **11. IT Procurement**

- 11.1 The Service Director Customer Information and Digital must approve any new or renewal of a proposed contract for software and/or hardware.
- 11.2 In accordance with Council's Financial Regulations, all IT related procurements must have full engagement via their IT Business Partner when requiring new, changes to or retirement of any IT systems, software, services or hardware. All IT procurements under £100,000 will be managed by the IT Contracts and Commissioning Team and the team will manage all IT contracts of the Council.

## **12. Performance of Contracts – Security**

- 12.1 Executive Directors must consider any steps necessary to protect the Council's interests in the event of contractor default, having regard to advice from the Service Director – Law & Governance and the Director of Finance.
- 12.2 This consideration should be based on risk to the Council, taking account of the circumstances, including:
- the value of the Contract
  - the type of goods, services or works being procured
  - the payment profile of the contract
  - the known financial strength of the suppliers in the market
  - affordability and proportionality

and should assess whether additional security is required in the form of a performance bond, parent company guarantee, contract sum retention, collateral warranties, or (where performance is required by a particular date, and where delay would have financial consequences for the Council) provision for liquidated damages.

### **13. Nominated/Named Sub-Contractors and Suppliers**

13.1 Where a sub-contractor or a supplier is to be nominated / named by the Council to a main contractor, quotations or tenders must be invited in accordance with these Rules.

13.2 The terms of any invitation for nominated/named sub-contractors or suppliers must be compatible with the main contract and must require that, if selected, the firms would be willing to enter into:

- (a) a contract with the main contractor on terms which indemnify the main contractor against the main contractor's own obligations under the main contract in relation to the work or goods or materials included in the sub-contract
- (b) an agreement to indemnify the Council in such terms as may be prescribed

## **PROCUREMENT PROCESS**

### **14. General Rules Relating to Procurement**

14.1 There is guidance available on the [Procurement Team Intranet Site](#) in relation to all procurement procedures.

The procurement [Aide Memoire](#) is a summary of the tasks to be performed to ensure a compliant procurement.

14.2 For all contracts above £50,000 YORtender must be used to undertake a competitive exercise. For any contracts £5,000 and above then a record must be published to the [Contract Register in YORtender](#).

14.3 Consideration should be given in all cases as to whether wider, additional advertisement is necessary to identify appropriate potential suppliers, for example, specialist/trade journals.

14.4 Where an additional advertisement is placed or where there is an open invitation on YORtender, an advertisement must also be placed on Contracts Finder for any contract over £25,000.

14.5 Where the Regulations apply (Refer to Rule 14.10), a contract notice must be published in the FTS **BEFORE** any other notice/advertisement is published and

no other notice/advertisement should contain any more information than that published in the FTS.

- 14.6 Prior to the submission of their bids, bidders have an opportunity, if they consider necessary, to request in writing clarification regarding the Council's requirements via YORtender. Any response from the Council to bidders should also be in writing via YORtender. There are rules that must be followed to ensure fairness and transparency during these clarification phases and details can be found on the [Procurement Team Intranet Site](#).

The main procurement routes for competition are detailed below:

#### 14.7 **Contracts up to and including £50,000**

For contracts valued up to and including £50,000 a Procuring Officer shall proceed in a manner which ensures Value for Money and the efficient management of the service. Where possible this process shall prioritise the placing of orders with local businesses under the Council's social value policy.

All contracts with an aggregated contract value of £5,000 and above must be placed upon the Council's [Contract Register](#) in accordance with legislative requirements. In addition, all contracts awarded above £25,000 must have a contract award notice publicised on Contracts Finder. This includes contracts created by a single quotation.

The Procuring Officer should ensure that the contract has been scored prior to any procurement process in line with the Council's Tiering Tool to assess the level of contract management required once a supplier is appointed.

The Procuring Officer should complete a Best Value Form (Single Quote) or Best Value Form (Quote Process) to document the process undertaken to select a supplier on each contract between £5,000 and £50,000.

#### 14.8 **Contracts between £50,001 and up to and including £100,000 for goods and services and £250,000 for works**

For contracts above £50,000 and up to and including £100,000 for goods and services and £250,000 for works, the Procuring Officer must seek to achieve competition and for that purpose invite at least three quotations via YORtender.

The Procuring Officer should ensure that the contract has been scored prior to any procurement process in line with the Council's Tiering Tool to assess the level of contract management required once a supplier is appointed.

Where appropriate at least two of the companies invited to quote should be local businesses. The Council defines 'Local' as postcodes within the Barnsley Borough area.

The following link is a list of postcodes that form the Barnsley Borough

<https://checkmypostcode.uk/south-yorkshire/barnsley#.XzKx2ihKg2w>

In instances where only a single bid is received, then the Executive Director must satisfy themselves that Value for Money has been achieved.

When inviting suppliers to quote, the officer responsible should ensure they rotate between suppliers where the market permits and allows to ensure a fair, open and transparent process is applied.

The Procuring Officer should complete a Best Value Form (Quote Process) to document the process undertaken.

If the Procuring Officer chooses to publish the opportunity to the open market, rather than a select list of suppliers, then a Contracts Finder notice must be published if the value of the contract is above £25,000.

The Procuring Officer is responsible for ensuring contracts with an aggregated contract value of £5,000 and above are placed upon the Council's [Contract Register](#) in accordance with legislative requirements. In addition, all contracts awarded above £25,000 must have a contract award notice publicised on Contracts Finder.

#### 14.9 **Contracts between £100,001 and up to the FTS thresholds for goods and services and £250,001 and up to FTS threshold for works**

All procurement above £100,001 for goods and services and **£250,001 for works** in total contract value must be led by the Procurement team.

For procurements above £100,000 for goods and services and **£250,001 for works** to the FTS threshold, an open tender procedure must be followed unless a Framework/Dynamic Purchasing System is deemed suitable for the requirements. This procedure is a one stage procurement advertised openly without a shortlisting stage. Service-specific questions are permitted but must be relevant to the subject matter of the procurement and proportionate.

When using an open procedure, the contract is advertised, and suppliers invited to submit a tender by a certain date (being not less than 14 calendar days from the date of the notice). When forming the procurement strategy consideration should be given to the timescales allowed for responses to ensure all suppliers have adequate time to complete their tender submission, maximising this where possible to allow time for a detailed submission.

The [Procurement Event Approval Document](#) will document how the contract has been scored prior to any procurement process in line with the Council's Tiering Tool to assess the level of contract management required once a supplier is appointed.

#### 14.10 **Contracts above FTS threshold**

- (a) Where a contract is estimated to be equal to or exceeds the relevant threshold the Regulations shall apply:

The Regulation Thresholds change every two years and are set **inclusive of VAT**. The [Procurement Team Intranet Site](#) is kept up to date with details of the current thresholds and provides guidance on the public procurement rules. Further help and guidance can be obtained by contacting the Procurement Team.

- (b) Publication of all FTS notices will be performed by a member of the Procurement Team. A contract notice in the prescribed form shall be published on FTS in order to invite tenders or expressions of interest, along with a Contracts Finder notice.

- (c) For above FTS thresholds the following procedures can be used:

#### 14.11 Open Procedure

Refer to Rule 14.9 0 and 0 for requirements.

#### 14.12 Restricted Procedure

A restricted procedure may only be used for contracts above the Regulation threshold for goods, services and works and not for any other contracts below the relevant Regulation threshold.

The requirement of an FTS notice must be published stating the restricted process will be utilised, which must also be included on a Contracts Finder notice.

Under the restricted procedure, potential suppliers are invited to express their interest in taking part in a procurement competition by the completion of the Standard Selection Questionnaire (SSQ). Any service-specific questions entered within Part 3 of the Standard Selection Questionnaire (or PAS 91 for works contracts) must be relevant to the subject matter of the procurement and proportionate.

Following an assessment of the SSQ, at least 5 suppliers, in accordance with the PCR 2015 (where there are 5 or more who meet the requirements and are absent of any grounds for exclusion) should be selected to receive an invitation to tender.

If fewer than 5 suppliers have applied who met the requirement and are absent of any grounds for exclusion and meet minimum standards included in the tender documents all those who have applied shall receive an invitation to tender.

The procedure shall only be performed by the Procurement Team.



#### 14.13 **Light Touch Services**

All Light Touch Services are identified in Schedule 3 of the Public Contract Regulations 2015.

The procurement must adhere to the Public Procurement Principles of equal treatment, transparency, non-discrimination and proportionality and be in compliance with the Regulations (Regulation 74 to 76 specifically).

Light Touch Services and all contract awards of such services above the FTS threshold must be advertised on FTS and also on Contracts Finder.

This procedure shall only be performed by the Procurement Team.

#### 14.14 **Competitive Procedure with Negotiation**

The competitive procedure with negotiation process should only be used for contracts for goods, services and works above the Regulation threshold and in exceptional cases where specialist requirements justify the process below the Regulation threshold, in line with Regulation 19 of the Public Contract Regulations.

Using the competitive procedure with negotiation, potential suppliers are invited to express an interest in tendering, within such period as may be specified, through a selection stage. Following an assessment of the expressions of interest, suppliers should be selected to receive an invitation to tender which should incorporate a negotiation stage. A minimum of 3 suppliers must be invited to negotiate unless fewer candidates have met the selection criteria, and these are sufficient to ensure genuine competition. The invitation to tender documents should stipulate how the negotiation stage will be managed.

The procedure shall only be performed by the Procurement Team.

#### 14.15 **Competitive Dialogue/ Innovation Partnership**

Using competitive dialogue, a contracting authority enters into a dialogue with bidders about its requirements before inviting them to submit a final tender. It is used in complex projects where the contracting authority cannot adequately specify its requirements.

The innovation partnership is a procedure designed to allow contracting authorities to establish a long-term partnership for the development and subsequent purchase of a new, innovative product, service or works. They are intended to be long term partnerships which allow for both the development and subsequent purchase of new and innovative products, services or works. The term "partnerships" is not used in a technical sense to mean legal partnerships as defined under UK law; rather, the term is used to indicate the partnering type approach to working together.

This procedure shall only be undertaken in procurements led by the Procurement Team in partnership with Legal Services.

## **15. External Frameworks/Dynamic Purchasing System**

- 15.1 Where it is considered that the utilisation of an existing Framework Agreement, e.g. from Crown Commercial Services, another public body or a central purchasing organisation such as YPO, ESPO, NEPO etc. is the most appropriate means to meet the Council's requirements, the Framework or DPS must be used in the way in which it was advertised and in line with its own terms and conditions.
- 15.2 Where such relevant Framework Agreements contain a number of different suppliers able to provide goods, services, or works, unless there is a specific ability to make a direct award under the Framework Agreement or DPS a mini competition between all suppliers should be undertaken.
- 15.3 Where a direct award under a Framework Agreement is progressed a Best Value Form should be completed.
- 15.4 The Council may need to complete an access agreement prior to utilisation of the framework. Legal Services and the Procurement Team should be consulted before this is signed.

## **16. Internal Frameworks/Dynamic Purchasing Systems**

- 16.1 Framework Agreements / Dynamic Purchasing Systems shall be procured in accordance with these Rules and the Regulations and where the relevant Regulation Thresholds apply. Procedures described by the Regulations shall apply to all aspects of the procurement and operation of the Framework Agreement / Dynamic Purchasing System including:
- the procurement methodology
  - any orders placed under the Framework Agreement/Dynamic purchasing system
  - re-opening of competition or call off competition between all contractors/suppliers on the Framework/Dynamic Purchasing System
  - the duration of a Framework Agreement (which shall not normally exceed 4 years) or the Dynamic Purchasing System (As the period stated in the tender documents)
- 16.2 All call offs / mini competitions from Framework Agreements/Dynamic Purchasing Systems must be performed on YORtender and linked to the overarching agreement.
- 16.3 All call offs / mini competitions are subject to the same transparency notices for Contracts Register and Contracts Finder.

## **17. Exceptions to Requirements of Competition (where the Regulations do not apply) for contracts above £50,000 and up to and including £100,000 for goods and services and up to and including £250,000 for works**

- 17.1 In exceptional circumstances and considering all the information available an accountable Executive Director may decide that it is justified to invite less than three quotations in a particular instance or type of transaction.
- 17.2 Where an exception to the requirement for competition is sought a [Waiver to Competition Form](#) must be completed by the Procuring Officer and signed off by the accountable Service Director and Executive Director prior to the procurement and contract being agreed.
- 17.3 Regardless of the exception Council's governance processes must be complied with, e.g., Equality Impact Assessment (EIA), Data Protection Impact Assessment (DPIA) and the relevant approval to spend obtained prior to commitment.
- 17.4 The relevant Executive Director shall ensure the goods/services and/ or works to be procured subject to exception to competition have a fully detailed specification and the Council terms and conditions agreed with the supplier.
- 17.5 When completing the [Waiver to Competition Form](#), the Procuring Officer should explain their reasons for this exception to competition and should be progressed for signatures.
- 17.6 If the waiver is being progressed based on strategic or tactical reasons the Procurement Team must be consulted prior to signatures being sought.
- 17.7 Exceptions covered by a [Waiver to Competition Form](#) up to and including £100,000 **must** be reviewed and signed by the relevant Service Director prior to being signed by the relevant Executive Director. Completed waivers should be emailed to [procurement@barnsley.gov.uk](mailto:procurement@barnsley.gov.uk)
- 17.8 The Procurement Team will record and allocate a waiver reference number which will be provided to the Procuring Officer to be added to the purchase order and the project file on YORTender.
- 17.9 The Procuring Officer will include in the waiver confirmation of how Best Value is being sought.
- 17.10 The Procuring Officer will be responsible for ensuring that a contract is executed with the awarded supplier, where relevant and that the publications to Contracts Register and Contracts Finder are progressed in line with transparency requirements.

## **18. Exceptions to Requirements of Competition for contracts above £100,000 for goods and services and above £250,000 for works**

- 18.1 For contracts above £100,000 for goods and services and £250,000 for works and not covered by the Regulations (Rule 19 below), if the relevant Executive Director is satisfied that an exception to competition is required due to reasons as set out in Rule 18.8 below, Rules 14.9 to 14.15 shall not apply, subject to obtaining the necessary approvals.

- 18.2 Where an exception to the requirement for competition is sought a [Waiver to Competition Form](#) must be completed by the Procuring Officer and signed off by the accountable Service Director and Executive Director prior to the procurement and contract being agreed.
- 18.3 The relevant Procuring Officer shall prepare a waiver report in the form set out in the [Waiver to Competition Form](#) explaining the proposed course of action and the reasons why a waiver to Rule 14.9 to 14.15 is required (see Rule 18.8 below).
- 18.4 The report must be submitted by the Procuring Officer in the following order:
- Accountable Service Director
  - Accountable Executive Director
  - Service Director – Law & Governance
  - Director of Finance (S151 Officer).

Approval and/or comments shall be provided in the format set out in the Waiver to Competition Form.

The Procuring Officer must ensure an electronic version of the report is sent to [procurement@barnsley.gov.uk](mailto:procurement@barnsley.gov.uk)

- 18.5 The Procurement Team will record and allocate a waiver reference number which will be provided to the Procuring Officer to be added to the purchase order and the project file on YORtender.
- 18.6 The Procuring Officer will include in the waiver confirmation of how Best Value is being sought, except where the exception is a variation to an existing contract where a [Procurement Event Approval Document – Variation](#) will be completed by the Procurement Team at the point the waiver reference is issued.
- 18.7 The procedure set out in Rule 18.3 above is in addition to any other approval that is required, for example to incur the expenditure for the duration of the contract, in accordance with the Council's Constitution.
- 18.8 The reasons why an exception to competition is justified, may include the circumstances below, provided that such an approach is consistent with the Council's duty to obtain Value for Money and its [Commercial Strategy](#) and policies
- 18.9 The Procuring Team will be responsible for ensuring that a contract is executed with the awarded supplier, where relevant and that the publications to Contracts Register and Contracts Finder are progressed in line with transparency requirements.

**(a) No Available Competition**

The relevant Executive Director can approve the reason for the waiver is due to no available competition.

This can occur in a limited number of circumstances as in the following:

- the purchase of proprietary or patented goods or materials only from one firm, and where no equivalent or no reasonably satisfactory alternative is available
- the execution of works or supply of services of a specialised nature which can only be carried out by only one firm and where no equivalent or no reasonably satisfactory alternative is available
- the purchase of a named product required to be compatible with an existing installation for which no equivalent or no reasonably satisfactory alternative is available
- the appointment of a developer to exercise functions of the Council under Section 278 of the Highways Act 1980
- the appointment of specialists on a short-term requirement to bridge a skills shortage in the Council's organisational structure
- the instruction of, advice from, or service provided by Counsel.

#### **(b) Variation of a Contract During its Term**

The relevant Executive Director can approve a contract variation under a waiver in the following circumstance.

Where additional works required are greater than 50% of the original contract and if the additional works are not within the original scope regardless of value, then a waiver will be required, and advice must be sought from the Procurement Team.

A waiver for a variation will not be required where additional works, services or supplies required to the original contracts are within the original scope and provided the overall value of all variations do not amount to greater than 50% of the original contract.

A [Procurement Event Approval Document – Variation](#) shall be completed for all variations on contracts above £100,000 for goods and services and £250,000 to ensure that all due diligence checks are performed for compliance purposes and the sustainability of the contract.

#### **(c) Emergency Circumstances**

The relevant Executive Director can approve an exception where purchases for goods and services or works are required urgently, due to circumstances not foreseeable and not attributable to the Council, as not to permit compliance with the requirements of competition.

A lack of planning or resource to progress the competition should not be used as the rationale for this approach.

#### **(d) Strategic/Tactical Procurement**

The relevant Executive Director can approve a waiver where the Procuring Officer and the relevant Service Director, the Procurement Team and Legal Services consider a waiver to competition for the following reasons:

- aggregating different contracts together but an extension is required to align contract start dates
- due to shortage of resources to enable a procurement event to be properly project managed which could not have been foreseen or managed
- would cause significant inconvenience or substantial duplication of costs for the Council.

Waivers progressed under this exception must outline the future procurement plans to ensure alignment with these Rules in future requirements.

#### **15. Exceptions to Requirements of Competition (where the Regulations do apply)**

- 15.1 Where the Regulations apply, they must be complied with. Further advice and guidance can be sought on the [Procurement Team Intranet Site](#)
- 15.2 Where the Regulations apply there is a requirement to publish a Voluntary ex ante Transparency (VEAT) notice if a contract is to be awarded without the prior publication of a contract notice. A VEAT notice **must** be published before a contract is awarded and a contract cannot be entered into until at least 10 days after the VEAT notice has been published.
- 15.3 All such applications for an exception to competition should be in accordance with the relevant provisions of the Regulations.
- 15.4 The Procurement Team shall maintain a register of all such exceptions at any value.
- 15.5 In compliance with the Local Government Transparency Code, all contracts created after an exception to competition has been approved must be promoted to the Council's [Contracts Register](#). In addition, all contracts awarded above £25,000 must have a contract award notice publicised on Contracts Finder.

#### **16. Submission of Bids**

##### **16.1 Submissions for projects up to and including £50,000**

The Executive Director must ensure that there is a system in place which can demonstrate the fairness and transparency of the process and records are

saved electronically and kept in accordance with the Council's [Records Retention Policy](#).

#### **16.1 Submissions for projects above £50,000**

YORtender must be used for the return / submission of quotations and tenders in accordance with the system's requirements. All documentation must also be stored on SharePoint in line with the Council's [Records Retention Policy](#).

#### **16.3 Late Submissions (SQs)/Quotations/Tenders**

The opening and release of submitted bids (after the specified deadline) must be performed on YORtender, if a competitive exercise above £50,000 or the opportunity has been published on YORtender.

Late bids may only be accepted, at any stage of the procurement process where it can be demonstrated the bidder has gained no advantage as a result of the late submission and this is due to circumstances beyond their control.

Bids submitted outside the YORtender system shall not be accepted, unless this is as a result of the above circumstances.

### **17 Evaluation of Quotations and Tenders**

**17.1** Evaluation of quotations/tenders must be completed in accordance with criteria and the scoring methodology set out in the quotation / tender documents provided to suppliers to ensure the process is performed in open, fair and transparent manner.

**17.2** Records should be kept of the evaluation process, which should include criteria, sub-criteria, weightings, individual and consensus scoring including completed moderation forms (with electronic confirmation or signed by the individuals involved in the evaluation) clarifications and reasons for decisions. Records should be saved electronically (PDF format) and stored on YORtender and Sharepoint and in accordance with the Council's Records Retention Policy.

**17.3** Where the total value of a contract is higher than the budgeted value, additional approval from the budget holder and allocated Strategic Finance Business Partner must be obtained prior to proceeding with a contract award.

**17.4** If the value exceeds the level of authority already obtained for the spend additional approval based on the revised value should be sought, from Cabinet Spokesperson or Cabinet in line with delegated authority thresholds.

**17.5** Procuring Officer for procurements which are below the thresholds for procurement led by the Procurement Team should refer to the [Procurement Team Intranet Site](#) for further guidance and documentation to be used for evaluation of bids.

### **18 Due Diligence**

- 18.1** Due diligence on all bidders should be performed for every contract, regardless of value and route to procure to mitigate risk to the Council.
- 18.2** Financial checks on all successful bidders should be performed and the detail of the check will vary on the risk involved to the Council and value of the contract. No tender should be accepted from a bidder who has been declared insolvent or bankrupt.
- 18.3** Where a financial check is required then the Procuring Officer must be able to demonstrate that the risk to the Council from failure to deliver will have minimal repercussions and the awarded supplier is solvent.
- 18.4** Procuring Officer for procurements which are below the thresholds for procurement led by the Procurement Team should refer to the [Procurement Team Intranet Site](#) for further guidance and documentation to be used to undertake due diligence checks.
- 18.5** The Contract Manager will be responsible for ensuring ongoing due diligence on the awarded supplier during the term of the contract in line with the Contract Management Plan.

## **19 Errors in Quotations/Tenders**

- 19.1** Certain tender documentation will prescribe the rules to be adopted in relation to errors in quotations/tenders. In other cases, the Council will advise bidders of the approach that will be taken.
- 19.2** Errors in quotations/tenders shall be dealt with in one of the following ways:
- (a) the bidder shall be given details of the error(s) found during the examination of the quotation/tender and shall be required at the sole option of the Council to confirm without amendment or withdraw the quotation/tender; or
  - (b) amending the quotation/tender to correct genuine error(s) provided that, in this case, apart from these genuine errors no other adjustment, revision or qualification is permitted.
- 19.3** All amendments shall be fully recorded with justification for the action taken.
- 19.4** Clarification requests should be requested in writing via YORtender and any response from bidders should also be in writing via YORtender. Where necessary, advice should be sought from the Procurement Team and Legal Services.

## **20 Abnormally Low Tenders**

- 20.1** Where a tender appears abnormally low it may not be rejected without:



- giving the bidder an opportunity to explain the tendered price (such explanation to be given in writing)
- considering the evidence provided, and demonstrating the bidder will not be able to provide the bid as detailed sustainably without detriment to the Council
- obtaining the written approval from the Head of Strategic Purchasing Procurement and Contract Management, the Service Director – Law & Governance and the Director of Finance (S151 Officer)

**20.2 Post Tender Negotiations (Negotiations after receipt of formal bids and before award of contract)** Where the Regulations apply, they must be followed. Post tender negotiations are not allowed in above threshold procurement processes unless the competitive process with negotiation tender procedure is used.

**20.3** Where the Regulations do not apply then post tender negotiations will be only permissible where the tender procedure stated has allowed the use of such negotiations.

**20.4** In exceptional circumstances, where the Service Director – Law & Governance considers that post tender negotiations are in the Council's interests and may achieve added value then post tender negotiations may be appropriate.

**20.5** Post tender negotiations where permissible, must only take place where they do not distort competition or disadvantage any bidder. The process should be transparent and non-discriminatory and ensure bidders are treated equally.

**20.6** Post tender negotiations with any bidders must be in accordance with the following conditions:

- (a) approved by the accountable Executive Director in consultation with the Head of Strategic Purchasing, Procurement and Contract Management and the Service Director – Law & Governance and are carried out in accordance with the law.
- (b) written records of the negotiations are kept, and a clear written record of the added value obtained by the post tender negotiations is incorporated into the contract with the successful bidder.

## **21 Acceptance of Quotations/Tenders and Award**

**21.1** The Council is not bound to accept any quotation or tender and this must be made clear to bidders in writing at the beginning of the process and as appropriate throughout.

**21.2** Quotations and tenders may be accepted on behalf of the Council by the relevant Executive Director provided they have been sought, evaluated and are

to be awarded fully in compliance with these Rules and the necessary approval has been obtained.

- 21.3** In relation to all contracts, once a decision to award a contract is made, all bidders must be notified at the same time, as soon as possible, in writing via YORtender, of the intention to award the contract to the successful bidder, giving reasons for the decision. Please see the [Procurement Team Intranet Site](#) for guidance.
- 21.4** For all contracts tendered in accordance with the Regulations, a mandatory 10-day standstill period must be observed between the decision to award being notified to all bidders and entering into a contractually binding agreement with the successful bidder. Where possible this standstill should be applied to the below threshold procurements to align to best practice.
- 21.5** Procuring Officer for procurements which are below the thresholds for procurement led by the Procurement Team should refer to the Procurement Team Intranet Site for further guidance and documentation to be used for acceptance of bids and award of contracts.
- 21.6** If an unsuccessful bidder challenges the decision to award the contract, (if the contract has not already been awarded), it shall not be awarded until the advice of the Service Director – Law & Governance has been obtained.
- 21.7** Unsuccessful bidders may request a debrief which should be provided to them in writing. Further information is available on the [Procurement Team Intranet Site](#).

## **22 Contracts Register and Contract Award Notices**

- 22.1** All contracts above £5,000 must be promoted to the Council's [contracts register](#) on YORtender. This includes contracts created by a single quotation.
- 22.2** Where a contract has been tendered pursuant to the Regulations, the Council shall publish a contract award notice in FTS no later than 30 days after the date of award of the contract, which is deemed the first date after the last signature is added to the contract and BEFORE any other award notice is publicised.
- 22.3** Where a contract has been awarded valued £25,000 or greater, regardless of the procedure used (including call-off from Framework Agreements), details of the award must be published on Contracts Finder, within 30 days of the award of the contract, which is deemed the first date after the last signature is added to the contract.

## **23 Record of all Procurement Documentation**

- 23.1** A full audit trail of the whole procurement process including all internal documentation (e.g., Best Value Form/Equality Impact Assessment/ Data

Protection Impact Assessment) shall be maintained in the relevant tender file within the YORtender e-tendering system and on SharePoint.

## **CONTRACT FORMALITIES**

### **24 Contracts**

- 24.1** Written contracts include the Council's electronic purchase orders in addition to contracts prepared and/or approved by the Council's Legal Services department. The relevant Executive Director must ensure that officers give proper consideration to the form of contract required in each case and obtain advice from the Service Director – Law & Governance where necessary.
- 24.2** Every contract must be in writing and unless executed under the Council's seal:
- must be signed by an Executive and/or the Service Director and a person with the relevant delegated authority responsible for ongoing management of the contract, where the contract value is up to and including £100,000
  - must be signed by two Executive or Service Directors and at least one of those officers shall be the Service Director – Law & Governance or their authorised signatory where the contract value is over £100,000
- 24.3** Every contract executed under seal must be signed by an Executive Director or Service Director and the Executive Director of Core Services, or their delegated officer.
- 24.4** The relevant Executive Director must ensure that every contract in writing must set out:
- (a) the works, goods, services, materials, matters or things to be carried out or supplied;
  - (b) the price to be paid and/or the amounts and frequency or the method of calculation of contract payments with a statement of discounts or other deductions;
  - (c) the time(s) within which the contract is to be performed; and
  - (d) such other matters as the Service Director – Law & Governance considers necessary.
- 24.5** Where possible Contracts should be signed electronically by all relevant parties using the Council's electronic signature system.
- 24.6** Any standard terms and conditions of contract submitted by a supplier shall not be accepted without advice or review from Legal Services.
- 24.7** Every contract must be in writing and must be concluded (executed by all parties) prior to the commencement of any works, services or any supply.

Exceptionally, and only for certain categories of procurement such as construction, a letter of intent may be utilised to enable forward planning and mobilisation activities but must set out the scope and extent of any preparatory works to be undertaken by the contractor, be value capped and time limited. Proceeding under a letter of intent can give rise to risks and advice should always be sought from the Legal Services before utilising a letter of intent.

## **25 Contract Management**

The arrangements for managing Council contracts should be in line with the National Audit Office's *Good Practice Contract Management Framework*.

### **25.1 Executive Directors must;**

- (a) Ensure that the Council's approved processes for contract management, as set out in the Contract Management Toolkit are adhered to;
- (b) Assign a Senior Responsible Officer (SRO) to every contract and ensure a suitably qualified, experienced and trained officer is assigned to be the Contract Manager. SRO's and Contract Managers will undertake appropriate training to support commercial capability;
- (c) Ensure work under the contract does not begin until the contract has been signed or sealed and dated;
- (d) Allocate a Procuring Officer who will consult with the assigned Contract Manager in the development of the procurement and ensure contracts are tiered under the Tiering Tool and scored as gold, silver or bronze. Contracts shall be scored initially as part of the procurement process, updated at contract award and reviewed periodically during the contract term;
- (e) Where a Best Value form is required, undertake a scoring exercise on the contract and update the appropriate form;
- (f) Develop a Contract Management Plan for all contracts. The Contract Management Plan should be linked to the scoring of the contract and detailed to reflect whether it is a gold, silver or bronze contract; and
- (g) The Contract Management Plan from the Procuring Officer must be handed to the Contract Manager and SRO once the contract has been signed.

**25.2** Gold contracts will have a nominated commercial lead from the Procurement Team to support Contract Managers and SROs or undertake the contract management as appropriate.

**25.3** The Contract Manager is responsible for:

- (a) Ensuring that the contract is carried out in accordance with its terms and conditions;
- (b) Ensuring that an appropriate mobilisation and implementation plan (as defined in the procurement) is followed;

- (c) Monitoring the supplier's performance, ensuring compliance and escalating issues in accordance with the contract and Council governance arrangements;
- (d) Monitoring cost and value for money requirements including contract expenditure against budget;
- (e) Monitoring risk management, ensuring mitigations and management plans are in place as appropriate;
- (f) Formal and documented periodic reviews in accordance with the contract and Contract Management Plan;
- (g) Ensuring the supplier complies with the Council's policies;
- (h) Ensuring that the supplier maintains the necessary insurances and other relevant policies required by the contract;
- (i) Ensuring any minor changes and variations to the contract are undertaken compliantly and approved and appended to the contract documentation before they are implemented;
- (j) Keeping a record of all valuations, payments, claims, monitoring, changes and certificates under the contract. Payments must only be made against a valid invoice;
- (k) Meeting with suppliers to discuss performance, Key Performance Indicators must be used to assess performance at least every 12 months; and
- (l) Ensure exit planning is undertaken and make recommendations on options for future procurements / extensions to the contract.

## **26 Contract Variations**

- 26.1** An above FTS threshold existing contract may only be varied in accordance with Regulation 72 of the Regulations including where there are specific provisions provided for in the Contract.
- 26.2** Funding must be identified before any variation is formally agreed. Modification of an existing Contract which will require the Council to provide additional funding is approved in accordance with the Council's Financial Regulations and the Executive Director will need to ensure Value for Money is considered.
- 26.3** A variation not provided for in an existing Contract may be implemented subject to waiver in competition subject to clause 18.8 of these Rules and that it complies with clause 26.4
- 26.4** Where the Regulations apply there may be a requirement to publish a Modification Notice if a contract is to be varied in accordance with the provisions set out in Regulation 72.
- 26.5** A variation must not materially affect or change the scope of the original contract. Such a variation could constitute a new award/contract. The Regulations must be followed and where a proposed variation exceeds 50% of the original contract value appropriate advice should be sought from the Procurement Team and Legal Services in the first instance.

The Procurement Team should be notified of any contract variations that materially change the original scope and value of the contract.

**26.6** All variations to a contract must be recorded and signed by both parties (including numbering and dated) and provided to the supplier to ensure a full audit trail is maintained.

**26.7** For contracts above £100,000, all variations must be completed in accordance with the [Procurement Event Approval Document – Variations](#) to ensure that all due diligence checks are performed for compliance purposes and the sustainability of the contract

## **27 Contract Extensions**

**28.1** An existing contract may be extended in accordance with specific criteria as outlined in the Public Contract Regulations 2015, Regulation 72.

**28.2** Contract extensions must not materially change the original scope of the contract. Advice should be sought from Procurement Team and Legal Services to ensure any extension proposed complies with procurement regulations and the Executive Director will need to ensure Value for Money is considered.

**28.3** An extension not provided within the existing contract will be subject to exception to competition and must be supported by a waiver approved by the accountable Executive Director.

**28.4** For contracts above £100,000, all contract extensions must be completed in accordance with the [Procurement Event Approval Document – Extension](#) to ensure that all due diligence checks are performed for compliance purposes and the sustainability of the contract.

## **28 Contract Novations**

**28.1** A contract should not be novated to another provider unless it complies with Regulation 72 of the Regulations.

**28.2** Where the Regulations apply there may be a requirement to publish a Modification Notice if a contract is to be novated in accordance with the provisions set out in Regulation 72. Guidance should be sought from the Procurement Team.

**28.3** The Procurement Team and Legal Services must be consulted on all contract novations prior to agreement with the supplier.

**28.4** Due diligence must be performed on all novations prior to any agreement to the novation to ensure the Council is protected.

**28.5** For contracts above £100,000, all contract novations must be completed in accordance with the [Procurement Event Approval Document – Novation](#) to ensure that all due diligence checks are performed for compliance purposes and the sustainability of the contract.

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## Contract Procedure Rules - Appendix A Roles and Responsibilities

<b>Executive Director (Senior Responsible Officer)</b>	<b>Procuring Officer</b>	<b>Contract Manager</b>
<ul style="list-style-type: none"> <li>a) ensuring that purchasing, procurement and contract management by their authorised officers and officers with delegated responsibility is undertaken in compliance with the Regulations these Rules, the Financial Regulations and Commercial Strategy;</li> <li>b) ensuring appropriate supervision and performance management of the procurement cycle and ensuing contract management is applied with appropriate quality control procedures and within delegated authority;</li> <li>c) ensuring the Officer appointed to manage the contract and supplier relationship has relevant knowledge and understanding of the Contract Manager’s role and responsibilities;</li> </ul>	<ul style="list-style-type: none"> <li>a) ensuring they have the appropriate Cabinet or Cabinet Spokesperson authority or written approval from an officer with appropriate delegated responsibility to incur the expenditure or take appropriate procurement action;</li> <li>b) ensuring that Officer decisions are recorded accurately and promptly, including the relevant information required, such as the context in which the decision was taken, the reasons for the decision and alternative options;</li> <li>c) ensuring that the procurement is in line with the actions proposed and agreed in the business case or plan;</li> <li>d) ensuring that the expenditure to be incurred for the procurement and contract is contained within the approved budget plan (i.e. there is an approved budget) prior to</li> </ul>	<ul style="list-style-type: none"> <li>a) managing the Contract effectively, engaging with and maintaining a positive relationship with the supplier, ensuring performance of the Contract in accordance with the terms and to the satisfaction of the Council;</li> <li>b) ensuring value for money is achieved through the meeting of KPIs, service levels, objectives and outcomes of the Contract;</li> <li>c) ensuring that they manage any call-off contract which has been awarded under a framework. It is not the responsibility of the overall Framework holder to manage individual contracts awarded under any framework;</li> <li>d) verifying the Council is receiving or has received the service/works or goods as detailed in the Contract;</li> </ul>

<p>d) the categories of spend that sit within their Directorate. Where a category of spend is shared across Directorates, a process of management needs to be agreed in order to identify the lead Service &amp; the level of spend undertaken by the relevant Directorate;</p> <p>e) ensuring that appropriate authorisation and/or delegation has been issued to authorised officers and officers with delegated responsibility;</p> <p>f) ensuring that contracts for which their Directorate is responsible are monitored and managed effectively and in line with these Rules and any guidance issued by the Procurement Team and;</p> <p>g) ensuring that, in the case of a procurement of a contract that may be used by more than one Directorate, the other relevant Directorates are consulted and involved.</p> <p>h) ensuring that those undertaking the procurement understand their role</p>	<p>commencing any procurement exercise;</p> <p>e) ensuring that those involved in the development of the tender documents and evaluation understand their role and have the appropriate technical knowledge of the goods/services or works being procured and for the level and complexity of procurement being undertaken;</p> <p>f) ensuring that prior to undertaking any procurement activity are aware of the need to follow the Regulations Councils Contract Procedure Rules;</p> <p>g) ensuring that the relevant process for procurement in following in line with the overall estimated value of the contract, having reviewed the Estimated Contract Value Guidance</p> <p>h) ensuring the Strategic Procurement Team are made aware as soon as is practical about any procurement required for a contract which will be at the level</p>	<p>e) payment under the agreed payment mechanism and</p> <p>f) following verification or confirmation of receipt of services/works or goods as required by the Contract, ensuring payment is made to suppliers within the agreed timescales as set out in the Contract.</p>
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<p>and have the appropriate training and technical knowledge of the goods/services or works being procured and for the level and complexity of procurement being undertaken;</p> <p>i) ensuring that effective and robust contract management takes place to ensure delivery of identified KPIs, service levels, objectives and outcomes, to ensure the Council meets the terms of contract and to identify any risks of possible non-delivery or failure.</p>	<p>the rules define should be led by Strategic Procurement Team</p> <p>i) ensuring that all information in relation to the procurement is progressed in a timely manner</p> <p>j) ensuring that a reasonable time is allocated for an effective procurement cycle from identifying the need through to contract award and the mobilisation required to be undertaken; and</p> <p>k) ensuring that Value for Money/Best value is sought at all times</p>	
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# Best Value Form (Single Quote)

## IMPORTANT NOTICE TO OFFICERS

It is the responsibility of the Officer completing this form to ensure it complies with the Contract Procedure Rules (CPR) and any related instructions or guidance contained.

Please complete all sections in full.

## INFORMATION

In accordance with the CPR, Value for Money/Best Value should be sought in all circumstances where the Council is procuring and contracting goods, services or works.

This is defined as; the best mix of quality and effectiveness for the least outlay over the period of use of the goods/ services bought. It is not about minimising initial purchase costs, but 'four Es' – economy, efficiency, effectiveness and equity:

- economy – minimising the cost of resources for an activity ('doing things at a low price')
- efficiency – performing tasks with reasonable effort ('doing things the right way')
- effectiveness – the extent to which objectives are met ('doing the right things')
- equity - This reflects the extent to which services are available to, and reach, the people they are intended for, and whether the benefits from the services are distributed fairly.

When considering 'outlay', the key factor is whole life cost, not lowest purchase price. Whole life cost takes into account the total cost over the life of a contract, including capital, maintenance, management, operating and disposal costs, and can be very different from initial price.

In accordance with CPR, section 14.7

*For contracts valued up to and including £50,000 a Procuring Officer shall proceed in a manner which ensures Value for Money and the efficient management of the service. Where possible this process shall prioritise the placing of orders with local businesses under the Council's social value policy.*

*All contracts with an aggregated contract value of £5,000 and above must be placed upon the Council's [Contract Register](#) in accordance with legislative requirements. In addition, all contracts awarded above £25,000 must have a contract award notice publicised on Contracts Finder. This includes contracts created by a single quotation.*

*The Procuring Officer should ensure that the contract has been scored prior to any procurement process in line with the Council's Tiering Tool to assess the level of contract management required once a supplier is appointed.*

*The Procuring Officer should complete a Best Value Form (Single Quote) or Best Value Form (Quote Process) to document the process undertaken to select a supplier on each contract up to £50,000.*

All procurement activity is subject to review by the Strategic Purchasing, Procurement and Contract Management Team and periodic review by the Corporate Assurance Team. It is the responsibility of the Officer completing the Form to keep this record for audit trail purposes.

Please seek advice from the Information Governance team as to whether a Data Protection Impact Assessment (DPIA) is required in relation to the delivery of this contract.

Please seek advice from the Equalities team as to whether an Equalities Impact Assessment (EIA) is required in relation to the delivery of this contract.

The Procuring Officer should ensure prior to the commencement of a procurement they have estimated the contract value and obtained approval for the required budget. Further information on calculating estimated contract values is included in the Contract Value Estimate Guidance available on the [Procurement Intranet Site](#)

*Text highlighted in Blue is instructions to the Officer completing the form and should be deleted from the final document.*

*Text highlighted in Yellow is sections which need to be completed by the Officer. Highlighting and background text should be removed from the final document.*

<b>DIRECTORATE</b>	[INSERT]
<b>SERVICE</b>	[INSERT]
<b>CONTRACT OWNER/MANAGER</b>	[INSERT]
<b>BUDGET MANAGER</b>	[INSERT]
<b>BUDGET MANAGER APPROVAL</b>	Choose an item. If the Budget Manager is different to the Officer completing this form you must seek their approval.

<b>SECTION 1: CONTRACT DETAILS</b>	
Contract title	[INSERT TITLE]
Type of supply	Choose an item.
Contract start date	Click here to enter a date.
Contract end date	Click here to enter a date.
Possible extensions ( <i>if applicable</i> )	#
Estimated total contract value including extensions (Excluding VAT):	£
Estimated total contract value including extensions (Including VAT):	£
VAT Rate	20.00% / 12.50% / 5.00% / 0.00% / Exempt
Is this construction related works (CIS)	

<b>SECTION 2: SUPPLIER DETAILS</b>	
Supplier Name	[INSERT]
Address	[INSERT]
Telephone	[INSERT]
Email	[INSERT]
Vendor Number	[INSERT]

<b>SECTION 3: COST BREAKDOWN</b>	
Total contract cost (excluding VAT)	[INSERT]
Total annual cost (excluding VAT)	[INSERT]
Please detail below any specific one-off costs within the contract cost and a breakdown of on-going costs	
One-off contract cost	[INSERT]
On-going cost e.g. support/maintenance	[INSERT]

Budget which will pay for this provision

[INSERT]

**SECTION 4 : JUSTIFICATION FOR DIRECT AWARD (INCLUDING FRAMEWORK AGREEMENT DIRECT CALL OFF)**

(Please provide as much information as possible - remember this information is subject to audit/review and you are the accountable Officer)

**Background to requirement** (e.g. reference to business case / contract / need etc.)

**Reason for Direct Award** (e.g. Compatible with existing equipment/available from only one supplier / no other equipment meets specification requirement etc.)

**Evidence of supporting reason** (e.g. Market Testing undertaken / first price not accepted etc.)

**Evidence value for money sought** (e.g. benchmarking, whole cost assessment done etc.)

**SECTION 5: COMMERCIAL ACCEPTANCE / VALUE FOR MONEY**

I hereby confirm that, to the best of my knowledge, this procurement is commercially reasonable and delivers best value.

**NAME**

[INSERT]

**JOB TITLE**

[INSERT]

**SIGNED**

[INSERT]

**DATE**

Click here to enter a date.

Please email completed forms to [procurement@barnsley.gov.uk](mailto:procurement@barnsley.gov.uk)

Further guidance and support should be obtained from Strategic Purchasing, Procurement & Contract Management ([procurement@barnsley.gov.uk](mailto:procurement@barnsley.gov.uk))



# Best Value Form (Quote Process)

## IMPORTANT NOTICE TO OFFICERS

In accordance with CPR 14.8;

*For contracts above £50,000 and up to and including £100,000 for goods and services and £250,000 for works the Procuring Officer must seek to achieve competition and for that purpose invite at least three quotations via YORtender.*

*The Procuring Officer should ensure that the contract has been scored prior to any procurement process in line with the Council's Tiering Tool to assess the level of contract management required once a supplier is appointed.*

*Where appropriate at least two of the companies invited to quote should be local businesses.*

*In instances where only a single bid is received, then the Executive Director must satisfy themselves that Value for Money has been achieved .*

*When inviting suppliers to quote, the officer responsible should ensure they rotate between suppliers where the market permits and allows to ensure a fair, open and transparent process is applied.*

*The Procuring Officer should complete a Best Value Form (Quote Process) to document the process undertaken.*

*If the Procuring Officer chooses to publish the opportunity to the open market, rather than a select list of suppliers a Contracts Finder notice must be published if the value of the contract is above £25,000.*

*The Procuring Officer is responsible for ensuring contracts with an aggregated contract value of £5,000 and above are placed upon the Council's [Contract Register](#) in accordance with legislative requirements. In addition, all contracts awarded above £25,000 must have a contract award notice publicised on Contracts Finder.*

It is the responsibility of the Procuring Officer completing this form to ensure it complies with the Contract Procedure Rules (CPR) and any related instructions or guidance contained.

Please complete all sections in full.

All contracts must have the following;

- A specification of requirements and appropriate performance measures
- Evaluation criteria which outline to those providing a quote how the bids will be evaluated
- Appropriate terms and conditions in place
- An estimated value which aligns to budget
- An understanding of whether a DPIA is required
- An understanding of whether an EIA is required.
- 

For any procurements where a contract is required please contact [legalcommercial@barnsley.gov.uk](mailto:legalcommercial@barnsley.gov.uk)

Please seek advice from the Information Governance team as to whether a Data Protection Impact Assessment (DPIA) is required in relation to the delivery of this contract.

Please seek advice from the Equalities team as to whether an Equalities Impact Assessment (EIA) is required in relation to the delivery of this contract.

The Procuring Officer should ensure prior to the commencement of a procurement they have estimated the contract value and obtained approval for the required budget. Further information on estimated contract values is included in the Contract Value Estimate Guidance available on the [Procurement Intranet Site](#)

All procurement activity is subject to audit and review by the Strategic Purchasing, Procurement and Contract Management Team and Corporate Assurance team. It is the responsibility of the Officer completing the Form to keep this record for Audit purposes.

**Text highlighted in Blue is instructions to the Officer completing the form and should be deleted from the final document.**

**Text highlighted in Yellow is sections which need to be completed by the Officer. Highlighting and background text should be removed from the final document.**

<b>DIRECTORATE</b>	<b>[INSERT]</b>
<b>SERVICE</b>	<b>[INSERT]</b>
<b>CONTRACT OWNER/MANAGER</b>	<b>[INSERT]</b>
<b>BUDGET MANAGER</b>	<b>[INSERT]</b> If the Budget Manager is different to the Officer completing this form you must seek their approval.
<b>BUDGET MANAGER APPROVAL RECEIVED</b>	Choose an item.

<b>SECTION 1: CONTRACT DETAILS</b>	
Contract title	<b>[INSERT TITLE]</b>
Type of supply	Choose an item.
Contract start date	Click here to enter a date.
Contract end date	Click here to enter a date.
Possible extensions (if applicable)	<b>#</b>
Estimated total contract value (Excluding VAT):	<b>£</b>
Estimated total contract value (Including VAT):	<b>£</b>
VAT Rate	<b>20.00% / 12.50% / 5.00% / 0.00% / Exempt</b>
Is this construction related works (CIS)	

SECTION 2: QUOTATIONS RECEIVED		
Rank	Supplier	Price
1	[Insert Name]	[Insert Price]
2		
3	[Insert Additional Rows if required]	

SECTION 3: LOCAL PROVIDERS
State the evidence of invitation of a minimum of 2 local providers and reasons if this requirement has not been met
(e.g. 2 x Suppliers based in S75 postcode, or Unable to locate more than 1 x suitable Supplier in the borough etc.)

SECTION 4: SUCCESSFUL QUOTE
State which bidder you are awarding the contract to. If this is not the bidder with the lowest quotation, please explain the rationale.
(Evaluation methodology based on other criteria including quality etc.)

SECTION 5: USE OF YORtender
Confirm YORtender was used to obtain the quotes and will be used for the award and publication process (Note: YORtender must be used for requirements over £50,000)
Choose an item.
YORtender Project ID [INSERT]

SECTION 6: COMMERCIAL ACCEPTANCE / VALUE FOR MONEY	
I hereby confirm that, to the best of my knowledge, this procurement is commercially reasonable and delivers best value.	
NAME	[INSERT]
JOB TITLE	[INSERT]
SIGNED	[INSERT]
DATE	Click here to enter a date.

Please email completed forms to [procurement@barnsley.gov.uk](mailto:procurement@barnsley.gov.uk)

Further guidance and support should be obtained from Strategic Purchasing, Procurement & Contract Management ([procurement@barnsley.gov.uk](mailto:procurement@barnsley.gov.uk))

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# Waiver Form

## IMPORTANT NOTICE TO OFFICERS

It is the responsibility of the Officer completing this form to ensure it complies with the Contract Procedure Rules (CPR) and any related instructions or guidance contained.

This process should be completed BEFORE a supplier is formally engaged.

Please complete all sections in full.

## INFORMATION

In accordance with CPR, section 17.1 (For requirements up to £100,000 for goods and services and £250,000 for works);

*In exceptional circumstances and considering all the information available an accountable Executive Director may decide that it is justified to invite less than three quotations in a particular instance or type of transaction.*

and 18.1 (contracts above £100,000 for goods and services and £250,000 for works);

*For contracts above £100,000 for goods and services and 250,000 for works and not covered by the Regulations (Rule 19 below), if the relevant Executive Director is satisfied that an exception to competition is required due to reasons as set out in Rule 18.4 below, Rules 14.9 to 14.15 shall not apply, subject to obtaining the necessary approvals.*

Following approval of the waiver all documentation associated with the procurement or award of a contract must be progressed. This will include;

- Specification
- Form of Contract
- Relevant approvals to spend.

Please seek advice from the Information Governance team as to whether a Data Protection Impact Assessment (DPIA) is required in relation to the delivery of this contract.

Please seek advice from the Equalities team as to whether an Equalities Impact Assessment (EIA) is required in relation to the delivery of this contract.

The Procuring Officer should ensure prior to the commencement of a waiver process they have estimated the contract value and obtained approval for the required budget.

In accordance with the CPR,

*Value for Money/Best Value should be sought in all circumstances where the Council is procuring and contracting goods, services or works.*

*This is defined as; the best mix of quality and effectiveness for the least outlay over the period of use of the goods/ services bought. It is not about minimising initial purchase costs, but 'four Es' – economy, efficiency, effectiveness and equity:*

- *economy – minimising the cost of resources for an activity ('doing things at a low price')*
- *efficiency – performing tasks with reasonable effort ('doing things the right way')*
- *effectiveness – the extent to which objectives are met ('doing the right things').*
- *equity - This reflects the extent to which services are available to, and reach, the people they are intended for, and whether the benefits from the services are distributed fairly.*

Further information on calculating estimated contract values is included in the Contract Value Estimate Guidance available on the [Procurement Intranet Site](#)

All procurement activity is subject to review by the Strategic Purchasing, Procurement and Contract Management Team and periodically by the Corporate Assurance Team. It is the responsibility of the Officer completing the Form to keep this record for Audit purposes.

**Text highlighted in Blue is instructions to the Officer completing the form and should be deleted from the final document.**

**Text highlighted in Yellow is sections which need to be completed by the Officer. Highlighting and background text should be removed from the final document**

<b>DIRECTORATE</b>	<b>[INSERT]</b>
<b>SERVICE</b>	<b>[INSERT]</b>
<b>CONTRACT OWNER/MANAGER</b>	<b>[INSERT]</b>

<b>SECTION 1: CONTRACT DETAILS</b>	
Contract title	<b>[INSERT TITLE]</b>
Type of supply	Choose an item.
Contract start date	Click here to enter a date.
Contract end date	Click here to enter a date.
Spend type	<b>One off/ recurring</b>
Possible extensions ( <i>if applicable</i> )	<b>#</b>
Estimated total contract value (Excluding VAT):	<b>£</b>

Estimated total contract value (Including VAT):	£
Budget which will pay for this	
VAT Rate	20.00% / 12.50% / 5.00% / 0.00% / Exempt
Is this construction related works (CIS)	

SECTION 2: SUPPLIER DETAILS	
Supplier Name	[INSERT]
Address	[INSERT]
Telephone	[INSERT]
Email	[INSERT]
Vendor Number	[INSERT]

SECTION 3 : JUSTIFICATION FOR WAIVER (Please provide as much information as possible - remember this information is subject to audit/review and you are the accountable Officer)	
Exception Rule	Choose an item.
Do the Regulations apply	Yes/No
If Yes what justification is being used	Regulation 32, Regulation 72 with detail of specific clause
Background to requirement (e.g. reference to business case / contract / need etc.)	
Reason for Direct Award (e.g. Compatible with existing equipment/available from only one supplier / no other equipment meets specification requirement etc.)	
Evidence of supporting reason (e.g. Market Testing undertaken / first price not accepted etc.)	
Implications if the waiver isn't approved; e.g. Unable to use external funds in timescales, unable to provide statutory services.)	
If recurring, please outline future procurement and commissioning process: e.g. Procurement to be undertaken in new FY to consolidate contracts etc.)	
If exception rule is 'strategic/tactical' confirm response from Procurement Team; (Discussed with Procurement, added to forward plan of procurements etc.)	

Evidence of Value for Money being secured; (e.g. Benchmarked against market rates.)

#### SECTION 5: APPROVALS

I confirm to the best of my knowledge all information contained above is accurate and that subject to approval of the waiver will progress all required documentation to in line with CPR requirements.

I hereby confirm that, to the best of my knowledge, this procurement is commercially reasonable and delivers best value.

NAME	[INSERT]
JOB TITLE	[INSERT]
SIGNED	[INSERT]
DATE	Click here to enter a date.

#### SERVICE DIRECTOR

NAME	[INSERT]
JOB TITLE	[INSERT]
SIGNED	[INSERT]
DATE	Click here to enter a date.

#### EXECUTIVE DIRECTOR

NAME	[INSERT]
JOB TITLE	[INSERT]
SIGNED	[INSERT]
DATE	Click here to enter a date.

**FOR ABOVE £100,000 FOR GOODS AND SERVICES AND ABOVE £250,000 FOR WORKS**

#### SERVICE DIRECTOR – LAW AND GOVERNANCE

NAME	[INSERT]
JOB TITLE	[INSERT]
SIGNED	[INSERT]
DATE	Click here to enter a date.



DIRECTOR OF FINANCE – S151 OFFICER	
NAME	[INSERT]
JOB TITLE	[INSERT]
SIGNED	[INSERT]
DATE	Click here to enter a date.

Please email completed forms to [procurement@barnsley.gov.uk](mailto:procurement@barnsley.gov.uk)

Further guidance and support should be obtained from Strategic Purchasing, Procurement & Contract Management ([procurement@barnsley.gov.uk](mailto:procurement@barnsley.gov.uk))

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# Procurement Thresholds – Aide Memoire

Single quotation =< £50,000

Minimum of 3 written quotations  
£50,001- £100,000 (Goods, Services)

Minimum of 3 written quotations  
50,001 – 250,000 (Works)

Tender (Good, Services) > £100,001 and <  
£189,330

Tender (Works) > £250,001 and < £4,733,252

Tender (Light Touch Regime – LTR) > 100,001 <  
£663,540

FTS Tender > £189,330 (Goods and Services) and  
> £4,733,252 (Works) and  
> £663,540 (LTR)

Note: All values are aggregated values (Total contract value for maximum duration)  
Ask Strategic Procurement to determine whether a service is LTR  
Note: FTS thresholds subject to bi-annual review (Next review 1 January 2024)

Procurement Procedure to be Undertaken	Single Quotation	Minimum Three Quotations	Tender – Goods, Services, LTR & Works	Tender - Works and EU LTR	FTS Tenders
<b>Procurement Event Responsibility</b>	<b>Directorate</b>		<b>Strategic Procurement &amp; Contract Management Only</b>		
Must seek value for money. When possible, must be local supplier	✓				
A minimum of 3 quotations must be requested.		✓			
Research relevant companies and invite them to quote		✓			
Where possible, 2 local suppliers must be invited		✓			
Must be performed through YORtender (training is available)		✓	✓	✓	✓
Obtain delegated approval for expenditure required for procurement under governance requirements		✓	✓	✓	✓
Best Value form justifying the procurement	✓		✓	✓	✓
Best Value Quote form justifying the procurement		✓			
Procurement Event Approval Document justifying the procurement			✓	✓	✓
Procurement must be performed as an open tender process and be accessible to any supplier			✓		✓
Council contract terms and conditions must be used. *Legal advice must be sought to confirm if additional T&Cs are required for complex / higher value procurement	✓	✓	✓	✓	✓
Equality Impact Assessment (to be considered / completed where appropriate)	✓	✓	✓	✓	✓
Data Protection Impact Assessment must be completed if contract involves personal data	✓	✓	✓	✓	✓
Consider Social Value criteria where appropriate			✓	✓	✓
Specification of service, goods or works required	✓	✓	✓	✓	✓
Pricing schedule for breakdown of costs		✓	✓	✓	✓
Evaluation criteria and scoring methodology needs to be established and included within the RFQ / ITT Documentation provided to suppliers		✓	✓	✓	✓
Use standard documentation (see Strategic Procurement & Contract Management Intranet site)		✓	✓	✓	✓
Tiering tool must be used to tier contract as Gold, Silver or bronze (and appropriate contract management plan put in place)	✓ (over £5k)	✓	✓	✓	✓

Contract Advert and Contract Award Notices must be placed on Contracts Finder (The link to the project must also be advertised on BMBC internet site)	*	✓	✓	✓	✓
Procurement Process must be performed using Government Standard Selection Questionnaire (SSQ) (where applicable)			✓	✓	✓
Must apply public procurement rules and timescales			✓ (Best Practice)	✓ (Best Practice)	✓
All RFQ / tender documentation must be made available when the procurement is published (even under restricted procedure)		✓	✓	✓	✓
Provide bidders feedback at end of tender exercise		✓	✓	✓	✓
Conduct due diligence checks	✓	✓	✓	✓	✓
Compulsory 10-day standstill between formal and final contract award			✓ (Best Practice)	✓ (Best Practice)	✓ (Mandatory)
Complete and place FTS contract notice and contract award notices (within 30 days of the final signature on the contract), must be completed before any other notice is publicised and contain the same information					✓
Signing of contract - 2 authorised signatories (see Contract Procedure Rules)		✓	✓	✓	✓
Publish contract on contracts register (via YORtender)	✓ (over £5k)	✓	✓	✓	✓
Conduct inception meeting with supplier (appropriate for services and works contracts)		✓	✓	✓	✓

- For all quotations above £25,000 in value, the **contract award** must be placed on contracts finder via YORtender and where the procurer choses to go out to open procurement then they must **advertise and place an award notice** on the contracts finder.

# Contract Value Estimate Guidance

This document outlines the process for estimating contract values and determining the appropriate procurement process.

## Background

Public Contracts Regulations (PCR) 2015 specify the rules public bodies must follow when determining the value of a contract. These are replicated in the Council's Contract Procedure Rules (CPR).

Following the end of the transition period the UK introduced a new e-notification service where notices for new procurements are required to be published in place of the Official Journal of the European Union's (OJEU) tenders. The new e-notification service is called Find a Tender (FTS).

The estimated value of a procurement shall be based on the total amount payable, **exclusive** of VAT, for the purposes of the CPR and delegated approvals, but **inclusive** of VAT in relation to the FTS thresholds and publication requirements in relation to transparency notices on Contracts Finder and FTS.

This total amount should be calculated by taking into account all elements of expenditure, total lifecycle costs and the length of the contract (including extensions) at the time the procurement procedure commences, i.e., when publishing on the Council's e-tendering system.

This applies to all procurements including establishing Framework Agreements and Dynamic Purchasing Systems (DPS).

To support with the estimating of a contract value pre-market engagement with potential Providers prior to finalising the tender documents should be considered to understand the marketplace in addition to analysing historic spend on the goods, services or works.

## Estimated Value

It is important that every project has an estimated value attached to it before the procurement commences.

The estimated value needs to be the best assessment of the value of the contract at the time with the information available and should consider all elements of what will be required to deliver the services or works for the duration of the contract. This would include things like;

- Facilities costs
- Staff costs

- Equipment costs
- IT costs
- Profit for the provider.

#### FOR EXAMPLE

A service contract for consultancy support should consider the number of staff required to deliver the services in scope for the duration of the contract, the overheads for the organisation delivering the services, such as office space and IT equipment and software and an element of profit as well.

The estimated value of the contract must be the maximum potential value of the contract including all available extensions.

The estimated value should consider spend on the same types of goods and services by different services in the Council.

This value should include all elements of the expected costs for the duration. If the contract is recurring or for a term period with extension options Stakeholders may also need to consider the requirement for cost increases over the duration as well.

#### FOR EXAMPLE

A contract has a three year initial term, with option to extend by 2 x 12 months subject to certain conditions being met should have an estimated value based on the full five year contract term, even though the potential extensions may not be utilised.

### **Pre Market Engagement and Past Contracts**

Previous agreements which are the same or of a similar nature should be used as a reference point to assess the estimated value of a new contract. When using this information the Procuring Officer should consider any market changes since this contract was established. This should include consideration of;

- Levels of inflation
- Changes in markets – increased materials costs or changes in national wages
- Changes in demand for services or works of this nature.

It is recommended that wherever possible pre-market engagement is undertaken with providers to understand current rates and charges, potential overheads to be considered and also expected profit margins to inform the estimated contract value.

### **Budget Setting**

The Budget Manager and Procuring Officer must ensure that market intelligence is used where possible to inform the budget setting process and includes consideration for all costs associated with the requirement.

#### FOR EXAMPLE

When a budget is developed for a new asset, such as vehicle then the budget must consider requirements for ongoing maintenance and repair.

### **Approval Process**

The Stakeholder must ensure there is budget available for the contract based on the estimated value for the duration of the contract before appointing a provider. The approval of the budget must be aligned to the approval threshold outlined in the Constitution;

Up to £250,000 – Delegated Officer Approval

£250,000 - £500,000 – Cabinet Spokesperson Approval

£500,000 and above – Cabinet Approval.

### **Competitive Process**

The total potential value of the contract will determine the procurement process to be undertaken in accordance with the Councils CPR's and legislation.

The estimated value should be used to advertise the contract so tenderers can assess whether they would be interested in bidding for the contract based on the potential value.

As stated, the value should be used to determine what procurement process should be undertaken;

Under £50,000                      a single quotation and value for money checks

£50,001- £100,000              a minimum of three quotations, with two local  
(Goods and Services)              organisations invited to bid (where possible).

£50,001- £250,000              a minimum of three quotations, with two local  
(Works)                                  organisations invited to bid (where possible).

#### ***For goods and services (Not subject to the light touch regime)***

£100,000 up to                      an open tender process which shall not involve a  
£189,330                                  shortlisting stage

Above £189,330                      FTS tender must be performed (Aligned to allowed  
processes)

#### ***For works contracts***

£250,001 up to                      an open tender process which shall not involve a  
£4,733,252                                  shortlisting stage

Above £4,733,252 FTS tender must be performed (Aligned to allowed processes)

### **For light touch regime**

£100,001 - £663,540 an open tender process which shall not involve a shortlisting stage

Above £663,540 FTS tender must be performed (Aligned to allowed processes)

All procurement competitions above £100,000 for goods and services and £250,000 for works must be led by the Strategic Procurement Team.

Estimated values must be a true reflection of the value of a contract as best as possible and must not be determined by avoiding trying to avoid a procurement or a particular procurement process.

It should be noted that the FTS threshold changes every 2 years.

### **FOR EXAMPLE**

A contract that is worth £115,000 should not be valued at £95,000 to avoid a tender process led by the Strategic Procurement Team.

A contract for works at £4,900,000 should not be valued at £4,500,000 to avoid a FTS tender.

In addition contract periods should be set that are most appropriate for service provision for the Council and its citizens and not reduced to bring the procurement into a lower threshold.

If there is the potential for price inflation due to market volatility during the procurement process which would increase the value of the contract significantly, it may be more appropriate to undertake a tender process rather than a request for quote.

### **Budget Approval**

Where a competition results in the proposed contract award that exceeds the budget, then the award of the contract should not proceed until the revised budget has been agreed and the appropriate decision record has been completed for the correct amount.

This must be done in consultation with Finance.

Consideration also needs to be given as to whether any estimated value misrepresented the contract to the market and discouraged potential bidders in which case retendering should be considered.



Further guidance and support should be obtained from Strategic Purchasing, Procurement & Contract Management ([procurement@barnsley.gov.uk](mailto:procurement@barnsley.gov.uk))

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**BARNSELY METROPOLITAN BOROUGH COUNCIL**

**REPORT OF:           DIRECTOR OF FINANCE / S151 OFFICER**

**TITLE:                    CALCULATION OF COUNCIL TAX BASE 2024/2025**

<b>REPORT TO:</b>	<b>CABINET</b>
<b>Date of Meeting</b>	<b>10 January 2024</b>
<b>Cabinet Member Portfolio</b>	<b>Core Services</b>
<b>Key Decision</b>	<b>Yes</b>
<b>Public or Private</b>	<b>Public</b>

**Purpose of report**

This report sets out the criteria to be considered in setting the 2024/25 Council Tax Base.

**Council Plan priority**

Growing Barnsley / Enabling Barnsley

**Recommendations**

That Cabinet: -

1. Approve the calculation of the Council's Tax Base for the year 2024/25.
2. Confirms that the Council Tax Base for the year 2024/25 shall be 66,800.90. This figure has been calculated in accordance with the Local Authorities (Calculation of Council Tax Base) (England) Regulations 2012.
3. Approve in principle the implementation of a 100% premium for substantially furnished second homes from 1 April 2025.
4. Calculated in accordance with the above regulations the Council Tax Base for the year 2024/25 in respect of each Parish being listed in the table below:

<b>Parish Area</b>	<b>Band D equivalent chargeable properties</b>	<b>95% of Band D equivalent chargeable properties</b>
Penistone	4,504.40	4,279.18
Billingley	94.40	89.68
Great Houghton	644.30	612.09
Little Houghton	177.60	168.72
Shafton	936.30	889.49
High Hoyland	69.20	65.74
Hunshelf	164.00	155.80

Langsett	106.20	100.89
Cawthorne	615.00	584.25
Dunford	252.40	239.78
Gunthwaite and Ingbirchworth	311.20	295.64
Thurgoland	802.90	762.76
Tankersley	750.10	712.60
Wortley	311.00	295.45
Oxspring	482.90	458.76
Silkstone	1,207.80	1,147.41
Stainborough	159.70	151.72
Barnsley and other Non-Parish areas	58,727.30	55,790.94
<b>Total</b>	<b>70,316.70</b>	<b>66,800.90</b>

## 1. INTRODUCTION

- 1.1 The Local Government Finance Act 1992 requires the Authority to calculate its Council Tax Base, before 31 January each year, in accordance with the Local Authorities (Calculation of Council Tax Base) (England) Regulations 2012.
- 1.2 The Valuation List dated 1 April 1993 shows domestic properties within the Borough subject to Council Tax and places each of them into a valuation band between A to H dependent upon a valuation as at an antecedent date of 1 April 1991.
- 1.3 The Council Tax Base is expressed in terms of band D equivalent properties and represents the estimated full year number of chargeable dwellings in the area after allowing for disabled persons relief, discounts, and other statutory adjustments.

## 2. PROPOSAL

- 2.1 It is proposed that the Council Tax Base for the year 2024/25 shall be **66,800.90**.
- 2.2 The relevant calculations for each parish or district are calculated by applying the following formula: -

$$G \quad \frac{(H + J) \times F}{9}$$

where:

H is the estimated number of chargeable dwellings in the area and band after the effect of exemptions and discounts.

J is the amount of any adjustments in respect of changes in the number of chargeable dwellings or discounts calculated by the authority for 2024/25 (see notes at 5.3 below).

F is the number appropriate to each band as set out in Section 5(1) of the Act.

G is the number appropriate to band D as set out in Section 5(1) of the Act. In all cases for 2024/25 this is 9.

- 2.3 In determining the figure used at point J of the calculations the following aspects have been considered: -
  - i) a full survey of all properties within the authority's tax base was carried out at the commencement of council tax in 1993 to identify those properties entitled to discounts and/or exemptions. Each year further checks are made to ensure that the Council Tax database remains accurate.
  - ii) Each claimant's eligibility for discounts/exemptions is thoroughly investigated prior to being awarded, and an ongoing programme to review current recipients is undertaken.

- iii) An assessment of the housing growth needs of the borough in accordance with the Local Plan.
- iv) Local knowledge has been used to identify which parish will see an increase/decrease in the number of properties. This information is then used to obtain the revised number of band D equivalent properties in each area.

**Long Term Empty Properties**

- 2.4 In April 2021, the Council adopted the policy to charge owners a premium of 100% (or a 200% council tax charge) on unfurnished properties that had been left empty for 2 years or more. There are currently 205 empty properties being charged this premium (an increase of 1 since last year).
- 2.5 From April 2024, the Levelling up and Regeneration Act 2023 has updated this provision, and the 100% premium will be added to the unfurnished property after a period of 12 months or more, rather than after 2 years. The turnover of short-term empty properties is high, and most are not empty long enough to incur this additional premium. It is estimated that an additional 450 properties will be initially charged this premium.
- 2.6 After a period of five years or more, local authorities can increase the premium to 200% (or a 300% Council Tax charge) for any property left empty and unfurnished. There are currently 61 empty properties that have been empty more than five years and are charged this premium (an increase of 3 since last year).
- 2.7 Since 1 April 2021 the Council can also charge a premium of 300% (or a 400% Council Tax charge) for any properties left empty and unfurnished for a period of ten years or more. There are currently 32 properties being charged this premium (a decrease of 9 since last year).

Property empty period	Additional Premium	Total Council Tax charge	Total No. of Properties
Up to 1 years	0	100%	-
1 to 5 years	100%	200%	450
5 to 10 years	200%	300%	61
10 years and over	300%	400%	32

**Second Homes / Short Term Empty Properties (less than 1 years)**

- 2.8 Local authorities have further discretion to charge Council Tax on second homes and empty properties. The Council’s current policy is to apply a 100% charge to all short-term empty properties (less than 2 years) and furnished second homes.
- 2.9 The Levelling Up and Regeneration Act 2023 will enable local authorities to charge an additional 100% (or a 200% council tax charge) for properties that are substantially furnished but are no one’s sole or main residence, a ‘second home’. At the time of preparing this report, the Government’s Department for

Levelling Up, Housing and Communities has yet to provide any official guidance, however, it is anticipated that there will be a requirement to give 12 months' notice of the decision to implement this additional premium. It is also expected that there will be some exemptions to be applied. The Council will seek to adopt this policy from 1 April 2025 and Members will be requested to approve this policy at that time.

- 2.10 The Council will continue to allow a discretionary one-month discount of 100% council tax to landlords with properties that are vacant. This discount is to allow a reasonable period for a landlord to find a new tenant for the vacant property.
- 2.11 These additional premiums are to encourage owners of second properties to bring them back into use. The Council's empty homes team will continue to support landlords to bring long term empty properties back into use.

### ***Local Council Tax Support***

- 2.12 The Council currently operates a Local Council Tax Support scheme (LCTS) that provides financial support to eligible claimants. Under the Council Tax Support provisions, the scheme for pensioners is determined by Central Government whereas the scheme for working age claimants is determined locally by the Council.
- 2.13 The Council introduced a new scheme for all eligible working age claimants during 2020. This new scheme provides more targeted support to those in most need and is provided based on a simple "income grid" model where different bands of entitlement are based on individual household circumstances and income.
- 2.14 This scheme is provided as a discount against the council tax due, the total estimated amount to be paid translates into a reduction in the tax base. The council tax base calculated at 2.1 above is net of the reduction made for the estimated cost of the support to be provided.
- 2.15 Since the Covid 19 Pandemic the number of households claiming Local Council Tax Support has increased significantly and these numbers are yet to reduce to pre-pandemic levels. It is anticipated that levels will start to decrease as inflation rates reduce along with other household commitments. Levels will continue to be carefully monitored throughout 2024/25.
- 2.16 As a result of the above the Council introduced a one year only cost of living additional discount to all claimants of LCTS in 2023. This additional discount effectively provided an 100% discount (i.e no council tax bill to pay) for the highest banded /lowest income households claiming LCTS.
- 2.17 Following the Chancellors 2023 Autumn Statement which announced that the National Living Wage would increase by £1.02 to £11.44 per hour and that Welfare Benefits would increase by 6.7% from 1<sup>st</sup> April 2024, therefore increasing the income of the poorest households, it is proposed that this cost-of-living discount will now be removed, and the scheme will return to 2022/23 levels of support i.e. a maximum discount of 92.8% for the lowest income households.

2.18 It is proposed to undertake a fundamental review of the existing LCTS scheme during 2024 with any new proposals being consulted upon prior to implementation on 1<sup>st</sup> April 2025 for the 25/26 financial year.

**Council Tax Arrears and Collection**

2.19 The additional support that has been offered by the Government and the Council for the poorest household since the Covid-19 Pandemic has now ended. The Council will continue to carefully monitor the collection rates during 2024/25 as lower than anticipated collections could impact the council tax base. This will be reported to Members accordingly.

**Example of Calculation – Penistone Town Council**

2.20 By way of example using the formula in paragraph 2.2 above, the table below shows the calculated tax base for the Penistone Town Council area.

**PENISTONE**

Area 9

		A-	A	B	C	D	E	F	G	H	TOTAL
H	=	1.82	1185.05	877.06	955.26	805.40	534.15	276.18	149.94	3.00	4787.86
J	=					69.00					69.00
F	=	5.00	6.00	7.00	8.00	9.00	11.00	13.00	15.00	18.00	
G	=	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	
(H+J) x F/G		1.00	790.00	682.20	849.10	874.40	652.90	398.90	249.90	6.00	4504.40

COUNCIL TAX CALCULATED IN ACCORDANCE WITH PARAGRAPHS 5.2 & 5.3 OF THE REPORT    4504.40    x 95%=    **4279.18**



## **Council Tax base for 2024/25**

2.21 Appendix A shows the relevant amount for each area. The total of the relevant amounts for 2024/25 for each of the valuation bands is summarised as follows:-

<b><u>Property Value</u></b>	<b><u>Band</u></b>	<b><u>Ratio</u></b>	<b><u>Band D equivalent chargeable properties</u></b>
Up to £40,000 with disabled reduction	A-	5/9	110.00
Up to £40,000	A	6/9	28,471.90
£40,001 to £52,000	B	7/9	12,258.00
£52,001 to £68,000	C	8/9	11,214.70
£68,001 to £88,000	D	9/9	10,225.30
£88,001 to £120,000	E	11/9	4,674.00
£120,001 to £160,000	F	13/9	2,203.30
£160,001 to £320,000	G	15/9	1,095.00
More than £320,000	H	18/9	64.50
			70,316.70

2.22 The regulations require the authority to adjust the total relevant amount by a proportion which reflects the following: -

- i) Total amounts expected to be paid to the authority under the Local Government Finance Act 1992 less the total of any Council Tax Reductions for the year.
- ii) Total of amounts in respect of Council Tax Reductions pursuant to directions under Section 98(5) and 98(4) of the 1998 Act.

2.23 It is estimated that the appropriate proportion in this respect is 95% and that the Estimated Council Tax Base for the 2024/25 financial year is therefore: -

$$70,316.70 \times 95\% = 66,800.90$$

2.19 The council tax collection rate applied is considered prudent and considers the anticipated ongoing impact of the cost-of-living crisis. Any surplus or deficit as compared to the target collection rate, falls into the Council's Collection Fund and will ultimately impact positively or negatively on the Council's General Fund Budget.

### **3. IMPLICATIONS OF THE DECISION**

#### **3.1 Financial and Risk**

The estimated Tax Base of 66,800.90 is used to determine the total Council Tax yield available to support the 2024/25 budget.

The Council Tax Base is a key variable in determining the resources estimated to be available to fund Council services. Consequently, the risk of variations to the Council Tax Base, including the ongoing impact of the cost-

of-living crisis, has been factored into the 2024/25 Service & Financial Planning process as far as is possible. In addition, the Council Tax Base will be subject to robust monitoring throughout the 2024/25 financial year to identify at an early stage any differences likely to make a material difference to the Council's spending plans.

**3.2 Legal**

None

**3.3 Equality**

Not applicable – This is a statutory requirement.

**3.4 Sustainability**

There are no implications of sustainability for the Borough in this cabinet report

**3.5 Employee**

None

**3.6 Communications**

Major Preceptors (South Yorkshire Fire and Rescue, South Yorkshire Police and Crime Commissioner and individual Parish Councils) are required to be notified of this decision.

**4. CONSULTATION**

Not applicable

**5. ALTERNATIVE OPTIONS CONSIDERED**

Not applicable

**6. REASONS FOR RECOMMENDATIONS**

Statutory requirement

**7. GLOSSARY**

None

**8. LIST OF APPENDICES**

Appendix A – Summary of Relevant Tax Base by Parish  
Appendix B – Estimated Increase in Chargeable Dwellings  
Appendix C – Summary of Relevant Amounts

**9. BACKGROUND PAPERS**

The Local Government Finance Act 1992  
The Local Authorities (Calculation of Council Tax Base) Regulations 1992  
The Local Authorities (Calculation of Council Tax Base) SI 3012 (2003)  
The Levelling up and Regeneration Act 2023

If you would like to inspect background papers for this report, please email [governance@barnsley.gov.uk](mailto:governance@barnsley.gov.uk) so that appropriate arrangements can be made

**10. REPORT SIGN OFF**

<b>Financial consultation &amp; sign off</b>	Senior Financial Services officer consulted and date  <i>Neil Copley</i> <i>12/12/23</i>
<b>Legal consultation &amp; sign off</b>	Legal Services officer consulted and date  <i>Sukdave Ghuman 18/12/23</i>

**Report Author:** Neil Copley  
**Post:** Director of Finance and Section 151 Officer  
**Date:** 12 December 2023

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**Appendix A**

**09 PENISTONE**

Area 9

<b>BAND</b>		A-	A	B	C	D	E	F	G	H	TOTAL
H	=	1.82	1185.05	877.06	955.26	805.40	534.15	276.18	149.94	3.00	4787.86
J	=					69.00					69.00
F	=	5.00	6.00	7.00	8.00	9.00	11.00	13.00	15.00	18.00	
G	=	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	
(H+ J) x F/G		1.00	790.00	682.20	849.10	874.40	652.90	398.90	249.90	6.00	4504.40

COUNCIL TAX CALCULATED IN ACCORDANCE WITH

PARAGRAPHS 4.5 & 4.6 OF THE REPORT

4504.40 x 95% =

**4279.18**

**17 BILLINGLEY**

Area 17

<b>BAND</b>		A-	A	B	C	D	E	F	G	H	TOTAL
H	=	0.00	0.05	5.38	5.76	8.50	13.75	20.25	18.31	0.00	72.00
J	=					0.00					0.00
F	=	5.00	6.00	7.00	8.00	9.00	11.00	13.00	15.00	18.00	
G	=	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	
(H+ J) x F/G		0.00	0.00	4.20	5.10	8.50	16.80	29.30	30.50	0.00	94.40

COUNCIL TAX CALCULATED IN ACCORDANCE WITH

PARAGRAPHS 4.5 & 4.6 OF THE REPORT

94.40 x 95% =

**89.68**

Appendix A - Summary of Relevant Tax Bases by Parish 2024-25.xls

**19 GREAT HOUGHTON**

Area 19

<b>BAND</b>		A-	A	B	C	D	E	F	G	H	TOTAL
H	=	3.00	476.47	148.94	126.83	73.75	8.85	7.00	0.50	0.00	845.34
J	=					1.00					1.00
F	=	5.00	6.00	7.00	8.00	9.00	11.00	13.00	15.00	18.00	
G	=	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	
<b>(H+ J) x F/G</b>		1.70	317.60	115.80	112.70	74.80	10.80	10.10	0.80	0.00	644.30

COUNCIL TAX CALCULATED IN ACCORDANCE WITH

PARAGRAPHS 4.5 & 4.6 OF THE REPORT

644.30 x 95% =

**612.09**

**20 LITTLE HOUGHTON**

Area 20

<b>BAND</b>		A-	A	B	C	D	E	F	G	H	TOTAL
H	=	1.00	168.72	22.99	11.47	20.78	8.39	1.00	1.75	0.00	236.10
J	=					1.00					1.00
F	=	5.00	6.00	7.00	8.00	9.00	11.00	13.00	15.00	18.00	
G	=	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	
<b>(H+ J) x F/G</b>		0.60	112.50	17.90	10.20	21.80	10.30	1.40	2.90	0.00	177.60

COUNCIL TAX CALCULATED IN ACCORDANCE WITH

PARAGRAPHS 4.5 & 4.6 OF THE REPORT

177.60 x 95% =

**168.72**

Appendix A - Summary of Relevant Tax Bases by Parish 2024-25.xls

**21 SHAFTON**

Area 21

<b>BAND</b>		A-	A	B	C	D	E	F	G	H	TOTAL
H	=	1.75	506.53	274.98	194.56	175.10	24.25	2.50	1.50	0.00	1181.17
J	=					0.00					0.00
F	=	5.00	6.00	7.00	8.00	9.00	11.00	13.00	15.00	18.00	
G	=	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	
(H+ J) x F/G		1.00	337.70	213.90	172.90	175.10	29.60	3.60	2.50	0.00	936.30

COUNCIL TAX CALCULATED IN ACCORDANCE WITH

PARAGRAPHS 4.5 & 4.6 OF THE REPORT

936.30 x 95% =

**889.49**

**25 HIGH HOYLAND**

Area 25

<b>BAND</b>		A-	A	B	C	D	E	F	G	H	TOTAL
H	=	0.00	0.00	3.00	11.68	6.50	8.50	7.50	17.25	0.00	54.43
J	=					0.00					0.00
F	=	5.00	6.00	7.00	8.00	9.00	11.00	13.00	15.00	18.00	
G	=	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	
(H+ J) x F/G		0.00	0.00	2.30	10.40	6.50	10.40	10.80	28.80	0.00	69.20

COUNCIL TAX CALCULATED IN ACCORDANCE WITH

PARAGRAPHS 9 & 10 OF THE REPORT

69.20 x 95% =

**65.74**

Appendix A - Summary of Relevant Tax Bases by Parish 2024-25.xls

**26 HUNSHELF**

Area 26

<b>BAND</b>		A-	A	B	C	D	E	F	G	H	TOTAL
H	=	0.00	2.05	14.05	13.75	23.51	36.87	37.50	10.00	0.00	137.73
J	=					0.00					0.00
F	=	5.00	6.00	7.00	8.00	9.00	11.00	13.00	15.00	18.00	
G	=	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	
(H+ J) x F/G		0.00	1.40	10.90	12.20	23.50	45.10	54.20	16.70	0.00	164.00

COUNCIL TAX CALCULATED IN ACCORDANCE WITH

PARAGRAPHS 4.5 & 4.6 OF THE REPORT

164.00 x 95% =

**155.80**

**27 LANGSETT**

Area 27

<b>BAND</b>		A-	A	B	C	D	E	F	G	H	TOTAL
H	=	0.00	3.75	6.74	17.72	11.00	26.14	17.25	7.75	1.00	91.35
J	=					0.00					0.00
F	=	5.00	6.00	7.00	8.00	9.00	11.00	13.00	15.00	18.00	
G	=	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	
(H+ J) x F/G		0.00	2.50	5.20	15.80	11.00	31.90	24.90	12.90	2.00	106.20

COUNCIL TAX CALCULATED IN ACCORDANCE WITH

PARAGRAPHS 4.5 & 4.6 OF THE REPORT

106.20 x 95% =

**100.89**



Appendix A - Summary of Relevant Tax Bases by Parish 2024-25.xls

**22 CAWTHORNE**

Area 22

<b>BAND</b>		A-	A	B	C	D	E	F	G	H	TOTAL
H	=	1.00	8.27	45.55	79.75	69.69	120.92	69.47	92.25	14.50	501.40
J	=					2.00					2.00
F	=	5.00	6.00	7.00	8.00	9.00	11.00	13.00	15.00	18.00	
G	=	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	
(H+ J) x F/G		0.60	5.50	35.40	70.90	71.70	147.80	100.30	153.80	29.00	615.00

COUNCIL TAX CALCULATED IN ACCORDANCE WITH

PARAGRAPHS 4.5 & 4.6 OF THE REPORT

615.00 x 95% =

**584.25**

**23 DUNFORD**

Area 23

<b>BAND</b>		A-	A	B	C	D	E	F	G	H	TOTAL
H	=	0.00	50.35	44.78	44.96	24.04	38.75	29.50	18.00	0.00	250.38
J	=					0.00					0.00
F	=	5.00	6.00	7.00	8.00	9.00	11.00	13.00	15.00	18.00	
G	=	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	
(H+ J) x F/G		0.00	33.60	34.80	40.00	24.00	47.40	42.60	30.00	0.00	252.40

COUNCIL TAX CALCULATED IN ACCORDANCE WITH

PARAGRAPHS 4.5 & 4.6 OF THE REPORT

252.40 x 95% =

**239.78**

**24 GUNTHWAITE & INGBIRCHWORTH**

Area 24

BAND		A-	A	B	C	D	E	F	G	H	TOTAL
H	=	0.00	11.44	22.74	65.35	47.93	85.09	33.75	16.25	0.00	282.55
J	=					0.00					0.00
F	=	5.00	6.00	7.00	8.00	9.00	11.00	13.00	15.00	18.00	
G	=	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	
(H+ J) x F/G		0.00	7.60	17.70	58.10	47.90	104.00	48.80	27.10	0.00	311.20

COUNCIL TAX CALCULATED IN ACCORDANCE WITH

PARAGRAPHS 4.5 & 4.6 OF THE REPORT

311.20 x 95% =

**295.64**

**31 THURGOLAND**

Area 31

BAND		A-	A	B	C	D	E	F	G	H	TOTAL
H	=	0.00	149.94	120.09	89.18	106.53	178.14	96.24	39.00	0.00	779.12
J	=					2.00					2.00
F	=	5.00	6.00	7.00	8.00	9.00	11.00	13.00	15.00	18.00	
G	=	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	
(H+ J) x F/G		0.00	100.00	93.40	79.30	108.50	217.70	139.00	65.00	0.00	802.90

COUNCIL TAX CALCULATED IN ACCORDANCE WITH

PARAGRAPHS 4.5 & 4.6 OF THE REPORT

802.90 x 95% =

**762.76**

Appendix A - Summary of Relevant Tax Bases by Parish 2024-25.xls

**32 TANKERSLEY**

Area 32

<b>BAND</b>		A-	A	B	C	D	E	F	G	H	TOTAL
H	=	1.00	251.34	64.54	82.05	70.39	187.12	101.66	7.75	0.00	765.85
J	=					0.00					0.00
F	=	5.00	6.00	7.00	8.00	9.00	11.00	13.00	15.00	18.00	
G	=	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	
(H+ J) x F/G		0.60	167.60	50.20	72.90	70.40	228.70	146.80	12.90	0.00	750.10

COUNCIL TAX CALCULATED IN ACCORDANCE WITH

PARAGRAPHS 4.5 & 4.6 OF THE REPORT

750.10 x 95% =

**712.60**

**33 WORTLEY**

Area 33

<b>BAND</b>		A-	A	B	C	D	E	F	G	H	TOTAL
H	=	0.00	12.44	35.82	32.30	58.86	48.93	46.97	35.75	0.00	271.07
J	=					0.00					0.00
F	=	5.00	6.00	7.00	8.00	9.00	11.00	13.00	15.00	18.00	
G	=	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	
(H+ J) x F/G		0.00	8.30	27.90	28.70	58.90	59.80	67.80	59.60	0.00	311.00

COUNCIL TAX CALCULATED IN ACCORDANCE WITH

PARAGRAPHS 4.5 & 4.6 OF THE REPORT

311.00 x 95% =

**295.45**

Appendix A - Summary of Relevant Tax Bases by Parish 2024-25.xls

**28 OXSPRING**

Area 28

<b>BAND</b>		A-	A	B	C	D	E	F	G	H	TOTAL
H	=	2.75	54.01	102.74	86.80	57.24	76.25	51.18	32.97	0.00	463.94
J	=					9.00					9.00
F	=	5.00	6.00	7.00	8.00	9.00	11.00	13.00	15.00	18.00	
G	=	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	
<b>(H+ J) x F/G</b>		1.50	36.00	79.90	77.20	66.20	93.20	73.90	55.00	0.00	482.90

COUNCIL TAX CALCULATED IN ACCORDANCE WITH

PARAGRAPHS 4.5 & 4.6 OF THE REPORT

482.90 x 95% =

**458.76**

**29 SILKSTONE**

Area 29

<b>BAND</b>		A-	A	B	C	D	E	F	G	H	TOTAL
H	=	1.00	137.72	200.18	177.77	236.12	199.54	165.79	45.73	2.00	1165.85
J	=					2.00					2.00
F	=	5.00	6.00	7.00	8.00	9.00	11.00	13.00	15.00	18.00	
G	=	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	
<b>(H+ J) x F/G</b>		0.60	91.80	155.70	158.00	238.10	243.90	239.50	76.20	4.00	1207.80

COUNCIL TAX CALCULATED IN ACCORDANCE WITH

PARAGRAPHS 4.5 & 4.6 OF THE REPORT

1207.80 x 95% =

**1147.41**

Appendix A - Summary of Relevant Tax Bases by Parish 2024-25.xls

**30 STAINBOROUGH**

Area 30

<b>BAND</b>		A-	A	B	C	D	E	F	G	H	TOTAL
H	=	0.00	8.25	32.84	16.25	22.67	31.25	25.75	8.50	1.00	146.51
J	=					0.00					0.00
F	=	5.00	6.00	7.00	8.00	9.00	11.00	13.00	15.00	18.00	
G	=	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	
(H+ J) x F/G		0.00	5.50	25.50	14.40	22.70	38.20	37.20	14.20	2.00	159.70

COUNCIL TAX CALCULATED IN ACCORDANCE WITH

PARAGRAPHS 4.5 & 4.6 OF THE REPORT

159.70 x 95% =

**151.72**

**18 BRIERLEY**

Area 18

<b>BAND</b>		A-	A	B	C	D	E	F	G	H	TOTAL
H	=	7.88	1627.03	280.41	366.28	137.61	50.11	13.75	5.00	2.00	2490.07
J	=					18.00					18.00
F	=	5.00	6.00	7.00	8.00	9.00	11.00	13.00	15.00	18.00	
G	=	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	
(H+ J) x F/G		4.40	1084.70	218.10	325.60	155.60	61.20	19.90	8.30	4.00	1881.80

COUNCIL TAX CALCULATED IN ACCORDANCE WITH

PARAGRAPHS 4.5 & 4.6 OF THE REPORT

1881.80 x 95% =

**1787.71**

Appendix A - Summary of Relevant Tax Bases by Parish 2024-25.xls

**34 CUDWORTH**

Area 34

<b>BAND</b>		A-	A	B	C	D	E	F	G	H	TOTAL
H	=	3.03	1779.69	730.80	485.20	291.20	40.25	14.18	0.50	1.50	3346.35
J	=					38.00					38.00
F	=	5.00	6.00	7.00	8.00	9.00	11.00	13.00	15.00	18.00	
G	=	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	
(H+ J) x F/G		1.70	1186.50	568.40	431.30	329.20	49.20	20.50	0.80	3.00	2590.60

COUNCIL TAX CALCULATED IN ACCORDANCE WITH

PARAGRAPHS 4.5 & 4.6 OF THE REPORT

2590.60 x 95% =

**2461.07**

**01 DARFIELD**

Area 1

<b>BAND</b>		A-	A	B	C	D	E	F	G	H	TOTAL
H	=	10.75	1271.11	800.91	490.59	191.96	51.26	31.00	9.47	0.00	2857.05
J	=					45.00					45.00
F	=	5.00	6.00	7.00	8.00	9.00	11.00	13.00	15.00	18.00	
G	=	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	
(H+ J) x F/G		6.00	847.40	622.90	436.10	237.00	62.70	44.80	15.80	0.00	2272.70

COUNCIL TAX CALCULATED IN ACCORDANCE WITH

PARAGRAPHS 4.5 & 4.6 OF THE REPORT

2272.70 x 95% =

**2159.07**

Appendix A - Summary of Relevant Tax Bases by Parish 2024-25.xls

**02 DARTON**

Area 2

BAND		A-	A	B	C	D	E	F	G	H	TOTAL
H	=	8.55	2725.90	1858.06	1655.29	1659.08	650.23	137.57	33.75	2.50	8730.93
J	=					7.00					7.00
F	=	5.00	6.00	7.00	8.00	9.00	11.00	13.00	15.00	18.00	
G	=	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	
(H+ J) x F/G		4.80	1817.30	1445.20	1471.40	1666.10	794.70	198.70	56.30	5.00	7459.50

COUNCIL TAX CALCULATED IN ACCORDANCE WITH

PARAGRAPHS 4.5 & 4.6 OF THE REPORT

7459.50 x 95% =

**7086.53**

**06 ROYSTON**

Area 6

BAND		A-	A	B	C	D	E	F	G	H	TOTAL
H	=	9.81	1787.56	680.19	621.39	539.07	98.99	29.25	4.00	0.00	3770.26
J	=					4.00					4.00
F	=	5.00	6.00	7.00	8.00	9.00	11.00	13.00	15.00	18.00	
G	=	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	
(H+ J) x F/G		5.50	1191.70	529.00	552.30	543.10	121.00	42.30	6.70	0.00	2991.60

COUNCIL TAX CALCULATED IN ACCORDANCE WITH

PARAGRAPHS 4.5 & 4.6 OF THE REPORT

2991.60 x 95% =

**2842.02**

Appendix A - Summary of Relevant Tax Bases by Parish 2024-25.xls

**07 WOMBWELL**

Area 7

<b>BAND</b>		A-	A	B	C	D	E	F	G	H	TOTAL
H	=	12.32	3642.79	1328.55	1100.67	572.75	162.49	56.12	10.00	0.00	6885.69
J	=					102.00					102.00
F	=	5.00	6.00	7.00	8.00	9.00	11.00	13.00	15.00	18.00	
G	=	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	
(H+ J) x F/G		6.80	2428.50	1033.30	978.40	674.80	198.60	81.10	16.70	0.00	5418.20

COUNCIL TAX CALCULATED IN ACCORDANCE WITH

PARAGRAPHS 4.5 & 4.6 OF THE REPORT

5418.20 x 95% =

**5147.29**

**08 WORSBROUGH**

Area 8

<b>BAND</b>		A-	A	B	C	D	E	F	G	H	TOTAL
H	=	7.99	2441.10	697.64	655.57	602.97	149.46	71.61	34.25	1.50	4662.09
J	=					43.00					43.00
F	=	5.00	6.00	7.00	8.00	9.00	11.00	13.00	15.00	18.00	
G	=	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	
(H+ J) x F/G		4.40	1627.40	542.60	582.70	646.00	182.70	103.40	57.10	3.00	3749.30

COUNCIL TAX BASE CALCULATED IN ACCORDANCE WITH

PARAGRAPHS 4.5 & 4.6 OF THE REPORT

3749.30 x 95% =

**3561.84**



Appendix A - Summary of Relevant Tax Bases by Parish 2024-25.xls

**03 DEARNE**

Area 3

<b>BAND</b>		A-	A	B	C	D	E	F	G	H	TOTAL
H	=	42.93	5533.34	1132.60	974.27	493.65	72.56	6.43	2.00	1.00	8258.78
J	=					73.00					73.00
F	=	5.00	6.00	7.00	8.00	9.00	11.00	13.00	15.00	18.00	
G	=	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	
(H+ J) x F/G		23.90	3688.90	880.90	866.00	566.70	88.70	9.30	3.30	2.00	6129.70

COUNCIL TAX BASE CALCULATED IN ACCORDANCE WITH

PARAGRAPHS 4.5 & 4.6 OF THE REPORT

6129.70 x 95% =

**5823.22**

**04 DODWORTH**

Area 4

<b>BAND</b>		A-	A	B	C	D	E	F	G	H	TOTAL
H	=	4.50	948.43	287.87	353.51	376.62	159.74	19.75	6.75	0.75	2157.92
J	=					4.00					4.00
F	=	5.00	6.00	7.00	8.00	9.00	11.00	13.00	15.00	18.00	
G	=	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	
(H+ J) x F/G		2.50	632.30	223.90	314.20	380.60	195.20	28.50	11.30	1.50	1790.00

COUNCIL TAX BASE CALCULATED IN ACCORDANCE WITH

PARAGRAPHS 4.5 & 4.6 OF THE REPORT

1790.00 x 95% =

**1700.50**

Appendix A - Summary of Relevant Tax Bases by Parish 2024-25.xls

**05 HOYLAND**

Area 5

<b>BAND</b>		A-	A	B	C	D	E	F	G	H	TOTAL
H	=	22.22	3291.07	819.70	575.13	374.79	202.46	48.00	5.00	0.00	5338.37
J	=					8.00					8.00
F	=	5.00	6.00	7.00	8.00	9.00	11.00	13.00	15.00	18.00	
G	=	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	
<b>(H+ J) x F/G</b>		12.30	2194.00	637.50	511.20	382.80	247.50	69.30	8.30	0.00	4062.90

COUNCIL TAX BASE CALCULATED IN ACCORDANCE WITH

PARAGRAPHS 4.5 & 4.6 OF THE REPORT

4062.90 x 95% =

**3859.76**

**BARNSLEY**

Areas 10-16

<b>BAND</b>		A-	A	B	C	D	E	F	G	H	TOTAL
H	=	54.62	14633.40	5121.22	3327.22	1803.10	559.70	108.30	43.00	1.50	25652.06
J	=					936.50					936.50
F	=	5.00	6.00	7.00	8.00	9.00	11.00	13.00	15.00	18.00	
G	=	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	
<b>(H+ J) x F/G</b>		30.30	9755.60	3983.20	2957.50	2739.60	684.10	156.40	71.70	3.00	20381.40

COUNCIL TAX BASE CALCULATED IN ACORDANCE WITH

PARAGRAPHS 4.5 & 4.6 OF THE REPORT

20381.40 x 95% =

**19362.33**

Appendix A - Summary of Relevant Tax Bases by Parish 2024-25.xls

**BARNESLEY & OTHER NON-PARISH AREAS**

Other Areas

<b>BAND</b>		A-	A	B	C	D	E	F	G	H	TOTAL
H	=	184.60	39681.42	13737.95	10605.12	7042.80	2197.25	535.96	153.72	10.75	74149.57
J	=					1278.50					1278.50
F	=	5.00	6.00	7.00	8.00	9.00	11.00	13.00	15.00	18.00	
G	=	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	
<b>(H+ J) x F/G</b>		102.40	26454.30	10685.10	9426.80	8321.30	2685.50	774.20	256.20	21.50	58727.30

COUNCIL TAX BASE CALCULATED IN ACORDANCE WITH

PARAGRAPHS 4.5 & 4.6 OF THE REPORT

58727.30 x 95% =

**55790.94**

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**TOTAL TAX BASE**

All Areas

<b>BAND</b>		A-	A	B	C	D	E	F	G	H	TOTAL
H	=	197.92	42707.80	15760.37	12616.56	8860.81	3824.14	1525.45	656.92	32.25	86182.22
J	=					1364.50					1364.50
F	=	5.00	6.00	7.00	8.00	9.00	11.00	13.00	15.00	18.00	
G	=	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	
<b>(H+ J) x F/G</b>		110.00	28471.90	12258.10	11214.70	10225.30	4673.90	2203.40	1094.90	64.50	70316.70

COUNCIL TAX BASE CALCULATED IN ACORDANCE WITH

PARAGRAPHS 4.5 & 4.6 OF THE REPORT

70316.700 x 95% =

**66800.90**

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**Appendix B****ESTIMATED INCREASE IN CHARGEABLE DWELLINGS BY AREA - 2024/2025**

TOTAL EST INCREASE = 1365

A				D	J
5710	Penistone	9	5.0	874.4	69
90	Billingley	17	0.1	8.5	0
1160	Great Houghton	19	1.0	74.8	1
326	Little Houghton	20	0.3	21.8	1
1519	Shafton	21	1.3	175.1	0
62	High Hoyland	25	0.1	6.5	0
154	Hunshelf	26	0.1	23.5	0
101	Langsett	27	0.1	11	0
576	Cawthorne	22	0.5	71.7	2
293	Dunford	23	0.3	24	0
319	Gunthwaite & Ingbirchworth	24	0.3	47.9	0
929	Thurgoland	31	0.8	108.5	2
920	Tankersley	32	0.8	70.4	0
316	Wortley	33	0.3	58.9	0
520	Oxspring	28	0.5	66.2	9
1376	Silkstone	29	1.2	238.1	2
172	Stainborough	30	0.1	22.7	0
100317	Barnsley & Other Non-Parish Areas		87.3	8321.30	1279
114860	Totals		100.0	10225.3	1365

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**Appendix C**

**SUMMARY OF RELEVANT AMOUNTS**

	A-	A	B	C	D	E	F	G	H	TOTAL	95%
PENISTONE	1.00	790.00	682.20	849.10	874.40	652.90	398.90	249.90	6.00	4,504.40	4,279.18
BILLINGLEY	0.00	0.00	4.20	5.10	8.50	16.80	29.30	30.50	0.00	94.40	89.68
GREAT HOUGHTON	1.70	317.60	115.80	112.70	74.80	10.80	10.10	0.80	0.00	644.30	612.09
LITTLE HOUGHTON	0.60	112.50	17.90	10.20	21.80	10.30	1.40	2.90	0.00	177.60	168.72
SHAFTON	1.00	337.70	213.90	172.90	175.10	29.60	3.60	2.50	0.00	936.30	889.49
HIGH HOYLAND	0.00	0.00	2.30	10.40	6.50	10.40	10.80	28.80	0.00	69.20	65.74
HUNSHELF	0.00	1.40	10.90	12.20	23.50	45.10	54.20	16.70	0.00	164.00	155.80
LANGSETT	0.00	2.50	5.20	15.80	11.00	31.90	24.90	12.90	2.00	106.20	100.89
CAWTHORNE	0.60	5.50	35.40	70.90	71.70	147.80	100.30	153.80	29.00	615.00	584.25
DUNFORD	0.00	33.60	34.80	40.00	24.00	47.40	42.60	30.00	0.00	252.40	239.78
GUNTHWAITH& INGBIRCHORTH	0.00	7.60	17.70	58.10	47.90	104.00	48.80	27.10	0.00	311.20	295.64
THURGOLAND	0.00	100.00	93.40	79.30	108.50	217.70	139.00	65.00	0.00	802.90	762.76
TANKERSLEY	0.60	167.60	50.20	72.90	70.40	228.70	146.80	12.90	0.00	750.10	712.60
WORTLEY	0.00	8.30	27.90	28.70	58.90	59.80	67.80	59.60	0.00	311.00	295.45
OXSPRING	1.50	36.00	79.90	77.20	66.20	93.20	73.90	55.00	0.00	482.90	458.76
SILKSTONE	0.60	91.80	155.70	158.00	238.10	243.90	239.50	76.20	4.00	1,207.80	1,147.41
STAINBOROUGH	0.00	5.50	25.50	14.40	22.70	38.20	37.20	14.20	2.00	159.70	151.72
<b>SUB TOTAL</b>	7.60	2,017.60	1,572.90	1,787.90	1,904.00	1,988.50	1,429.10	838.80	43.00	11,589.40	11,009.96
ALL OTHER AREAS	102.40	26,454.30	10,685.10	9,426.80	8,321.30	2,685.50	774.20	256.20	21.50	58,727.30	55,790.94
<b>TOTAL</b>	110.00	28,471.90	12,258.00	11,214.70	10,225.30	4,674.00	2,203.30	1,095.00	64.50	70,316.70	<b>66,800.90</b>

CTB1 Form line 33 total 68,952.20  
 Appendix b adjusted figure 1,364.50  
 Revised tax base 70,316.70

95% Collection Rate 66,800.90

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**BARNSLEY METROPOLITAN BOROUGH COUNCIL**

**REPORT OF:** Director of Finance (S151 Officer)

**TITLE:** 2024/25 Business Rates – Calculation of the Authority’s Local Share

<b>REPORT TO:</b>	<b>CABINET</b>
<b>Date of Meeting</b>	<b>10 January 2024</b>
<b>Cabinet Member Portfolio</b>	<b>Core Services</b>
<b>Key Decision</b>	<b>Yes</b>
<b>Public or Private</b>	<b>Public</b>

**Purpose of report**

This report sets out the 2024/25 estimated Business Rate Local Share for the Council that is built into the 2024/25 budget and outlines the process for calculating the National Non-Domestic Rates Return (NNDR1) to be submitted to the Ministry for Levelling Up, Housing and Communities (MLUHC) by 31st January 2024.

**Council Plan priority**

Growing Barnsley

**Recommendations**

That Cabinet: -

- 1. Note the process for estimating the retained Business Rate Local Share for 2024/25 and agree that the ‘local share’ for Barnsley will be £32.089M (excluding S31 Grants) in line with the Council’s Medium-Term Financial Strategy (MTFS) and;**
- 2. That the final submission is approved by the Director of Finance - S151 Officer in consultation with the Cabinet Spokesperson for Core Services.**

## 1. INTRODUCTION

1.1 Under the current Business Rates Retention Scheme (BRRS) councils retain 49% of all business rates collected locally (known as the Local Share), and this amount forms part of the funding of the Council's agreed budget.

## 2. PROPOSAL

### ***Local Business Rates Retention***

2.1 Under the Business Rates Retention Scheme (BRRS) councils are required to estimate the total business rates to be collected in their area.

2.2 After taking account of reliefs, appeals and other variables, councils are required to pay 50% of this net amount over to Central Government and 1% to local Fire Authorities. The remaining amount (49%) is then available to contribute to the Council's budget planning process.

2.3 The key steps involved in the process of estimating the local share of business rates to be retained by the Council are attached at Appendix 1, with a summary below highlighting several issues that need to be considered when calculating the Business Rate base for 2024/25.

### ***Small Business Rates Relief***

2.4 From 1 April 2017, the Government announced changes to the entitlement threshold for qualifying small businesses. The table below highlights the current thresholds:

	<b>Current Threshold (Gross RV)</b>
100% Relief Awarded	Up to £12,000
Tapered Relief Awarded	From £12,001 to £14,999
Bills calculated on Small Business Rate Multiplier	From £15,000 to £50,999

2.5 Following these changes, the amount of Small Business Rate Relief (SBRR) awarded has increased significantly and it is expected that this trend will continue. This results in a reduction in the amount of rates retained by the Council (the Local Share).

2.6 Government have confirmed that S31 Grant will continue to be awarded to compensate Local Authorities for the changes made to the SBRR threshold in 2017. An estimate has been made for the S31 grants to be received and has been built into the MTFs accordingly.

### ***Deductions for Estimated Charitable Reliefs***

2.7 Charities are awarded 80% mandatory relief. This continues to be a significant issue for the Authority as schools that become academies will automatically receive relief on their business rate bill, thus reducing the resources available to fund other front line Council services.

## ***Empty Properties and Business Closures***

- 2.8 Under the current Business Rates scheme, business properties that become vacant are eligible for empty property relief. The amount of relief awarded is dependent on the type of property that becomes vacant, e.g. for industrial use properties a maximum of 6 months relief is available.
- 2.9 Whilst the total amount of relief to be awarded during 2024/25 is difficult to predict, particularly in the context of the current economic challenges that businesses face, the total rates to be collected has been adjusted to reflect known circumstances.

## ***Enterprise Zones***

- 2.10 All rates collectable from businesses within Enterprise Zones are required to be paid over to the Local Enterprise Partnership (LEP) rather than being retained by the Local Authority.
- 2.11 There are currently 2 approved Enterprise Zones within the Barnsley area at Shortwood and Ashroyd Way. The estimated rates to be collected in 2024/25 from these sites total £0.8M. This amount will be required to be paid to the South Yorkshire Mayoral Combined Authority. The impact of this has been built into the 2024/25 income forecast.

## ***Autumn Statement***

- 2.12 As part of the Chancellors 2023 Autumn Statement, the following measures to support small businesses and the high street were announced.
- The small business rates multipliers will continue to be frozen at the 2021 rate of 49.9p.
  - The standard business rates multiplier will increase by September's CPI figure (6.7%) increasing the multiplier from 51.2p to 54.6p.
  - Businesses in the retail, hospitality and leisure sectors will continue to receive 75% relief on their business rates in 2024/2025, up to a cap of £110,000 per business.
- 2.13 It is important to note that the standard multiplier has not increased since 2021 and prior to this, increases had been capped at 2%. This is the first significant increase in the standard multiplier in 10 years. It will, however, only apply to a small number of businesses as in Barnsley only 6% of premises have a rateable value above £51,000.
- 2.14 It is expected that Local Authorities will be compensated via S31 Grant for the cost of the above changes.

## ***Discretionary Business Rate Relief***

- 2.15 The Council's Discretionary Rates Relief Policy is being updated for 2024/2025. A small number of minor amendments are to be made to include the changes to the UK Subsidy Control regime and to remove the discretionary Rural Rates Relief from the policy following Government decision to make this a 100% mandatory relief. The principles remain unchanged, and a copy of the updated policy will be available on the Council's website from 1 April 2024.

## ***Business Rate Arrears***

- 2.16 Despite the Government's additional support to small business, it is anticipated that the current economic challenges will continue to adversely impact collection rates. This will be carefully monitored during 2024/2025 and will be reported to Members accordingly.

## **Submission of the National Non-Domestic Rates Return (NNDR1)**

- 2.17 Councils are required to collect the information highlighted at Appendix 1 and submit it to Government via the NNDR1 return by no later than 31 January.
- 2.18 The format of the NNDR1 form for 2024/25 is to change as there is now a new requirement to split all elements of the calculation between the standard multiplier and the small business multiplier.
- 2.19 The form for 2024/25 is yet to be received but will be reviewed by officers, in due course. As such it is possible that adjustments may be necessary to the position reported in this report, particularly the split between the standard and small business multiplier, the retained rates (Local Share) and the amount of estimated S31 grant reflecting the changes announced in the 2023 Autumn Statement. As the deadline for submitting the NNDR1 form is 31 January 2024, it is recommended that approval of the final submission be delegated to the Director of Finance (S151 Officer).
- 2.20 The position on business rates will continue to be carefully monitored throughout the financial year and reported to Members as part of normal budgetary procedures.

### **3. IMPLICATIONS OF THE DECISION**

#### **3.1 Financial and Risk**

- 3.2 The Council currently retains 49% of the business rates it collects known as the local share. An estimate of the local share to be retained in 2024/25 has been made and totals £32.089M. This amount has been built into 2024/25 Budgetary Procedures. In addition, the Council is required to notify Central Government and South Yorkshire Fire and Rescue Authority (SYFRA) of their share of business rates income (50% and 1% respectively).
- 3.3 The business rate baseline remains extremely volatile, with several key factors that can influence its position. It remains particularly vulnerable, and a rigorous monitoring process has been put in place with any material variations against the budget being reported to Cabinet as part of the normal quarterly financial monitoring process.
- 3.4 Any variations identified from this exercise will affect the Council's Collection Fund Reserves, which will in turn impact on the Council's MTFS. These variations will also impact the amounts paid over to Central Government and the SYFRA.

#### **3.2 Legal**

None.

#### **3.3 Equality**

Not applicable – This a statutory requirement.

#### **3.4 Sustainability**

There are no implications of sustainability for the Borough in this cabinet report.

#### **3.5 Employee**

No existing employees are adversely affected by this report.

**3.6 Communications**

None directly arising from this report.

**4. CONSULTATION**

Not applicable.

**5. ALTERNATIVE OPTIONS CONSIDERED**

Not applicable.

**6. REASONS FOR RECOMMENDATIONS**

Statutory Requirement.

**7. GLOSSARY**

None

**8. LIST OF APPENDICES**

Appendix 1: Process for calculating the National Non-Domestic Rates Return

**9. BACKGROUND PAPERS**

Not applicable.

**10. REPORT SIGN OFF**

<b>Financial consultation &amp; sign off</b>	Senior Financial Services officer consulted and date  <i>Neil Copley</i> <i>12/12/23</i>
<b>Legal consultation &amp; sign off</b>	Legal Services officer consulted and date <i>Sukdave Ghuman 18/12/23</i>

**Report Author: Neil Copley**  
**Post: Director of Finance and Section 151**  
**Officer Date: 12 December 2023**

**PROCESS FOR CALCULATING THE 2024/25 NNDR 1 FORM****Step 1 – Calculation of Gross Debit**

The gross debit is calculated by taking the gross rateable value of properties on the ratings list within the Barnsley area and applying a business rate multiplier as set by the Government.

Normally the business rate multiplier is increased by inflation (CPI) year on year. However, as part of the Government's Autumn Statement in November the Chancellor announced that there would be a freeze on the small business rate multiplier for 2024/25 with local authorities being compensated via S31 grant for any losses.

The rateable value to be used is that based on the revised 2023 revaluation as at 1 April 2024.

**Step 2 – Deductions for Estimated Reliefs Awarded**

Certain types of organisations (certain small businesses, charities, empty properties) are entitled to business rate relief. These include charitable trusts and other similar organisations including academies.

Any estimated reliefs to be awarded in the forthcoming year are deducted from the gross debit and thus affect the amount to be retained by the Council.

**Step 3 - Losses in collection**

As part of the estimate of business rates revenue to be collected locally, councils are required to make an estimate of any losses in collection it anticipates in any given year.

Collection rates have been impacted by the recent challenges that businesses have and continue to face well into 2024/25 and beyond. As a result, a prudent estimate based on the current forecast collection rate together with past years' actual losses/write offs, has been made. This has been built into the overall calculation of business rates to be collected.

**Step 4 – Enterprise Zones**

Under the new scheme councils are required to pay 100% of the business rates collected on properties that sit within enterprise zones over to the Local Enterprise Partnership.

The business rates to be collected on these properties will be deducted from the estimated business rates for 2024/25 to be paid to the South Yorkshire Mayoral Combined Authority.

**Step 5 - Renewable Energy Schemes**

From 1 April 2013 the Council were able to retain 100% of the business rates levied on companies engaged on any new Renewable Energy business where the energy produced is above a certain threshold.

### Step 6 - Business Growth/Decline

As part of the scheme councils are also required to make an estimate of any growth or decline in business rates within their area. The Council will retain 49% of the business rates revenue estimated from any growth anticipated.

### Step 7 - Appeals

Appeals occur when a business believes that the business rates they have been charged have been calculated unfairly. All appeals are processed by the Valuations Office. Appeals usually take place over a period in line with the Valuations Office property revaluation timetable. The next revaluation is planned for 2027.

### Step 8 Transitional Protection Payments

The Government undertakes a ratings revaluation of business premises every 3 years. The last revaluation was undertaken on the 1<sup>st</sup> April 2023, with the next revaluation to take place from 1<sup>st</sup> April 2027.

Where a property has a significant increase in rateable value because of re-valuation the business in question is awarded Transitional Rates Relief to protect them from the significant increases.

Any transitional rate relief that is awarded is therefore deducted from the total amount of business rates levied.

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

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