

**Department of Business Operations and Partnerships**

**Director: Louise Pringle**

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Date: 8 December 2023

When calling please ask for: Linda Hutchison (0141 577 8388)

Email: [linda.hutchison@eastrenfrewshire.gov.uk](mailto:linda.hutchison@eastrenfrewshire.gov.uk)

TO: Provost Montague; Deputy Provost Campbell; and Councillors Anderson, Bamforth, Buchanan, Convery, Cunningham, Devlin, Edlin, Ireland, Lunday, Macdonald, McLean, Merrick, Morrison, O'Donnell, Pragnell and Wallace.

**EAST RENFREWSHIRE COUNCIL**

A meeting of the East Renfrewshire Council will be held in the Council Chamber, Council Headquarters, Giffnock on **Wednesday, 13 December 2023 at 5.00pm.**

The agenda of business is as listed below.

**Prior to the commencement of the meeting the Provost will make a statement that the meeting will be webcast live and recorded for later, publicly accessible archive viewing.**

Yours faithfully

**Louise Pringle**

L PRINGLE

DIRECTOR OF BUSINESS OPERATION AND PARTNERSHIPS

**PROGRAMME OF BUSINESS**

1. **Report apologies for absence.**
2. **Declarations of Interest.**
3. **Submit for approval as a correct record and signature the Minute of the Meeting of the Council held on 25 October 2023.**
4. **Submit for approval as a correct record the Minutes of Meetings for the period 26 October to 12 December 2023.**

**5. Item Remitted to the Council:-**

- (i) **Interim Treasury Management Report for 2023/24 - Quarter 2 – Report by Head of Accountancy (Chief Financial Officer)(copy attached, pages 5 – 20)(Audit and Scrutiny Committee – 23 November 2023).**

**Audit & Scrutiny Committee Recommendation**

**That the attached organisations for investment of surplus funds be approved.**

**6. Motion on Notice**

**The following Motion has been received on notice:-**

- (i) **East Renfrewshire Council acknowledges that 29 out of 32 councils in Scotland have now publicly supported the campaign for a ban on single use disposable vapes. The Council further acknowledges that both the UK and Scottish Governments are now publicly in favour of a ban on single use disposable vapes and are now actively moving towards creating legislation to ban them.**

**We move that East Renfrewshire Council now support the campaign for a ban of single use disposable vapes and that the Leader write to the Scottish Government minister responsible notifying them of our support.**

**Proposed by Councillor David Macdonald  
Seconded by Councillor Annette Ireland**

**7. Statements by Conveners and Representatives on Joint Boards and Committees.**

**8. Provost's Engagements – Report by Director of Business Operations and Partnerships (copy attached, pages 21 – 22).**

**9. Revision of Contract Standing Orders – Report by Chief Officer, Legal and Procurement (copy attached, pages 23 – 64).**

**10. Revenue Estimates 2024/25 – Advance Savings Proposals – Report by Head of Accountancy (Chief Financial Officer)(copy attached, pages 65 – 72).**

**11. Vision for the Future – Report by Director of Business Operations and Partnerships (copy attached, pages 73 – 78).**

**12. Eastwood Leisure Centre – Report by Director of Environment (copy attached, pages 79 – 86).**

13. **Modernisation of Eastwood Council Headquarters, Giffnock – Report by Chief Executive (copy attached, pages 87 – 94).**
14. **HRA Land Transfer for Aurs Road Realignment Project – Report by Director of Environment (copy attached, pages 95 – 100).**
15. **East Renfrewshire Council Public Access Defibrillator Strategy 2022 – 2027 – Update December 2023 – Report by Chief Executive (copy attached, pages 101 – 108).**

A recording of the meeting will also be available following the meeting on the Council's YouTube Channel <https://www.youtube.com/user/eastrenfrewshire/videos>

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EAST RENFREWSHIRE COUNCILAUDIT & SCRUTINY COMMITTEE23 November 2023Report by Head of Accountancy (Chief Financial Officer)INTERIM (QUARTER 2) TREASURY MANAGEMENT REPORT FOR 2023/24**PURPOSE OF REPORT**

1. To advise the Audit & Scrutiny Committee on the Treasury Management activities for the Quarter ending 30 September 2023.

**RECOMMENDATION**

2. It is recommended that the Committee: -
  - a) note the Interim Treasury Management Report for Quarter 2 2023/24; and
  - b) recommend to the Council that the attached organisations for investment of surplus funds be approved.

**BACKGROUND**

3. In line with the CIPFA Code of Practice on Treasury Management, the Audit & Scrutiny Committee is responsible for ensuring effective inspection of treasury management activities and this report is submitted in accordance with this requirement.

**SUMMARY**

4. Overall the report demonstrates a well-managed treasury function within the Council. The average interest rate on long-term borrowing has remained the same from that reported in September. The Council continues to adopt a prudent approach to treasury management and in particular the percentage of loans held as at 30 September 2023 that had variable interest rates was 7.17% which is well below the Council's approved upper limit of 15%. The resulting stability in borrowing assists the Council in responding to the current national economic pressures.

**RECOMMENDATION**

5. It is recommended that the Committee: -
  - a) note the Interim Treasury Management Report for Quarter 2 2023/24; and
  - b) recommend to the Council that the attached organisations for investment of surplus funds be approved.

**REPORT AUTHOR**

Head of Accountancy (Chief Financial Officer): Margaret McCrossan

Chief Accountant: Barbara Clark

Telephone Number: 0141 577 3068

E-mail: [Barbara.Clark@EastRenfrewshire.gov.uk](mailto:Barbara.Clark@EastRenfrewshire.gov.uk)

Report Date: 9 November 2023

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## INTERIM TREASURY MANAGEMENT REPORT QUARTER 2 2023/24

Table 1

## 1. Actual External Debt

|                                      | <b>Borrowing<br/>30/06/23<br/>£M</b> | <b>Average<br/>Interest<br/>%</b> | <b>Borrowing<br/>30/09/23<br/>£M</b> | <b>Average<br/>Interest<br/>%</b> | <b>Change<br/>in year<br/>£M</b> |
|--------------------------------------|--------------------------------------|-----------------------------------|--------------------------------------|-----------------------------------|----------------------------------|
| <b><u>Long Term Borrowing</u></b>    |                                      |                                   |                                      |                                   |                                  |
| Public Works Loan Board              | 112.85                               | 3.30                              | 112.85                               | 3.30                              | 0.00                             |
| Local Authority Bonds                | 14.40                                | 4.60                              | 14.40                                | 4.60                              | 0.00                             |
| PFI / PPP Finance Leases             | 73.50                                | 7.18                              | 73.50                                | 7.18                              | 0.00                             |
| <b>Total Long Term</b>               | <b>200.75</b>                        | <b>4.81</b>                       | <b>200.75</b>                        | <b>4.81</b>                       | <b>0.00</b>                      |
| <b><u>Short Term Investments</u></b> |                                      |                                   |                                      |                                   |                                  |
| Temporary Investments                | <b>(48.94)</b>                       | <b>4.75</b>                       | <b>(53.67)</b>                       | <b>5.17</b>                       | <b>4.73</b>                      |

## NOTES

- (i) For the purposes of this report long-term borrowing means loans taken on a long-term basis. This differs from the Annual Accounts, which have to categorise long-term loans with less than a year until repayment as short-term loans. Loans above totalling £0.365 million come into this category.
- (ii) The Treasury Strategy approved by the Council on 1st March 2023, ratified external borrowing of £58m from the Public Works Loan Board to be undertaken. However at present no new borrowing has been undertaken due to a recommendation by the Head of Accountancy to defer long term borrowing, where possible, until the current high interest rates come down. There was no repayment of Long Term Borrowing during the quarter.
- (iii) The average interest rate on long-term borrowing has not changed from that reported previously.
- (iv) The Council's net external borrowing position has increased in total by £4.73 million during the quarter due to both revenue and capital cash flows.
- (v) The Council's activity in the temporary investments market is shown along with the corresponding interest rate movements in Appendices 2 – 5. In response to difficulties in the financial markets and as part of a risk managed process designed to protect the principal of the sums invested, during the course of the year the maximum period of investment was restricted to 6 months.
- (vi) At 30 September 2023, 7.17% of the total debt outstanding consisted of loans which had a variable rate of interest. For the Council to gain a high level of stability in overall borrowing costs, the Council's Treasury Policy Statement requires the exposure to variable rate loans to be less than 15% of the total debt outstanding.

- (vii) Appendix 6 shows the Bank of England MPC base rate covering the period April 2022 to the date of this report.

## 2. PWLB

The primary source of medium/long term borrowing is from the UK Government through the Public Works Loan Board (PWLB). The PWLB provides loans to local authorities at rates, which are in general more attractive than loans available from other sources.

## 3. DEBT MATURITY PROFILE

The Council's debt maturity profile at 30 September 2023 is shown both below and in Graph format at Appendix 7.

It is a requirement of the Council's Treasury Policy Statement that the maximum amount of long-term debt maturing in any one year should be no more than 15% of the Council's long-term debt outstanding, at the time of borrowing.

The Council's Debt Maturity Profile as at 30 September 2023 was within the agreed limits.

### Long Term Debt Maturity Profile as at 30 September 2023

|                      | PWLB          | Local Authority Bond | Total         |               |
|----------------------|---------------|----------------------|---------------|---------------|
|                      | £M            | £M                   | £M            | %             |
| <b>23/24</b>         | 0.36          | 0.00                 | 0.36          | 0.28          |
| <b>24/25</b>         | 0.00          | 0.00                 | 0.00          | 0.00          |
| <b>25/26</b>         | 0.00          | 0.00                 | 0.00          | 0.00          |
| <b>26/27</b>         | 5.01          | 0.00                 | 5.01          | 3.94          |
| <b>27/28</b>         | 2.01          | 0.00                 | 2.01          | 1.58          |
| <b>28/29</b>         | 0.00          | 0.00                 | 0.00          | 0.00          |
| <b>29/30</b>         | 0.00          | 0.00                 | 0.00          | 0.00          |
| <b>30/31</b>         | 0.00          | 0.00                 | 0.00          | 0.00          |
| <b>31/32</b>         | 0.00          | 0.00                 | 0.00          | 0.00          |
| <b>32/33</b>         | 0.00          | 0.00                 | 0.00          | 0.00          |
| <b>After 2033/34</b> | 105.47        | 14.40                | 119.87        | 94.20         |
| <b>Total</b>         | <b>112.85</b> | <b>14.40</b>         | <b>127.25</b> | <b>100.00</b> |

## 4. PRUDENTIAL INDICATORS

In line with the agreed monitoring arrangements for the Prudential Indicators, listed below there is a table showing all the prudential indicators comparing the approved indicator, as reported to the Council on 1 March 2023 along with the projected outturn figures recorded at 30 June 2023 and at 30 September 2023, demonstrating that the Council is operating well within the limits set.

| <b>Prudential Indicator</b>               | <b>Approved indicator</b> | <b>Projected Outturn @ 30/06/23</b> | <b>Projected Outturn @ 30/09/23</b> | <b>COMMENT</b>  |
|---|---------------------------|-------------------------------------|-------------------------------------|---|
| 1. Capital Expenditure                    | £81,167,000               | £66,541,000                         | £59,176,000                         | Movement is due to revised planning of capital projects within both the Housing and General Fund Capital Programmes.  |
| 2. Capital Financing Requirement          | £304,873,000              | £273,138,000                        | £266,180,000                        | Movement is due to a reduction in net capital expenditure in both previous and current years.   |
| 3. Operational Boundary for External Debt | £309,855,000              | £278,120,000                        | £271,162,000                        | Movement is due to a reduction in permitted borrowing from that approved due to a reduction in capital spend in both the previous and current year.   |
| 4. Authorised Limit For External Debt     | £345,308,000              | £308,813,000                        | £300,812,000                        | In addition to the variance explanation for the Operational Boundary for External Debt above, the Authorised limit for External Debt also includes a further 15% allowance to cover any unexpected temporary movements. |
| 5. Gross Debt                             | £253,770,000              | £228,270,000                        | £205,770,000                        | Movement is due to the re-profiling of capital expenditure to future years and to deferral of borrowing, if possible, until rates come down.  |
| 6. Gross Borrowing to                     | (£51,103,000)             | (£44,868,000)                       | (£60,410,000)                       | Movement is due to a reduced net borrowing  |

|  |                                   |                                       |               |  |
|--|-----------------------------------|---------------------------------------|---------------|--|
| CFR<br>(Under)/Over                                    |                                   |                                       |               | requirement as a result of a reduction in capital expenditure in both previous and current years, along with a deferral of borrowing, if possible, until rates come down.  |
| 7. Financing to Net Revenue Stream<br>Non – HRA<br>HRA | 6.7%<br>34.4%                     | 6.7%<br>32.4%                         | 6.7%<br>32.8% | HRA variation is in-line with a reduction in financing costs, along with increased rental income compared to the approved indicator. The variance from the previous quarter relates to a slight increase in financing cost due to increases in interest rates. |
| 8. HRA - Ratio of Debt to Revenue                      | 337.0%                            | 305.8%                                | 294.0%        | The variation is due to a combination of reduced debt and increased rental Income from approved indicator. The variance from the previous quarter relates to a reduction in total debt due to a reduction in capital spend.                                    |
| 9. HRA – Debt Per Dwelling £                           | 16,450                            | 15,682                                | 15,079        | The variation is due to a combination of reduced debt and a reduction in the number of dwellings from the approved indicator. The variance from the previous quarter relates to a reduction in total debt due to a reduction in capital spend.                 |
| 10. Code of Practice For                               | The Council has adopted the CIPFA | All of the approved activities within |               |  |

|                     |  |   |  |  |
|---------------------|--|---|--|--|
| Treasury Management | Treasury Management in the Public Services: Code of Practice and Cross-Sectoral Guidance Notes | the Council Treasury Management Policy Statement have been complied with. |  |  |
|---------------------|--|---|--|--|

The movement between the Capital Financing Requirement and the Gross Debt indicates the amount of internal borrowing required. The indicator above “Gross Borrowing to CFR” and the table below show that the capital borrowing need (the Capital Financing Requirement), has not been fully funded by external loan debt as the cash supporting the Council’s reserves, balances and cash flow has been used as a temporary measure. This strategy remains both prudent and cost effective as borrowing costs are currently relatively high and the Head of Accountancy has requested that borrowing, where possible, is not undertaken until interest rates come down from their current level.

|                               | Approved Indicator | Projected Outturn @ 30/06/23 | Projected Outturn @ 30/09/23 |
|-------------------------------|--------------------|------------------------------|------------------------------|
| Capital Financing Requirement | £304,873,000       | £273,138,000                 | £266,180,000                 |
| Gross Debt                    | £253,770,000       | £228,270,000                 | £205,770,000                 |
| Internal Borrowing Required   | £51,103,000        | £44,868,000                  | £60,410,000                  |

## 5. DEBT PERFORMANCE INDICATOR

The Treasury Strategy sets out the following two debt performance indicators

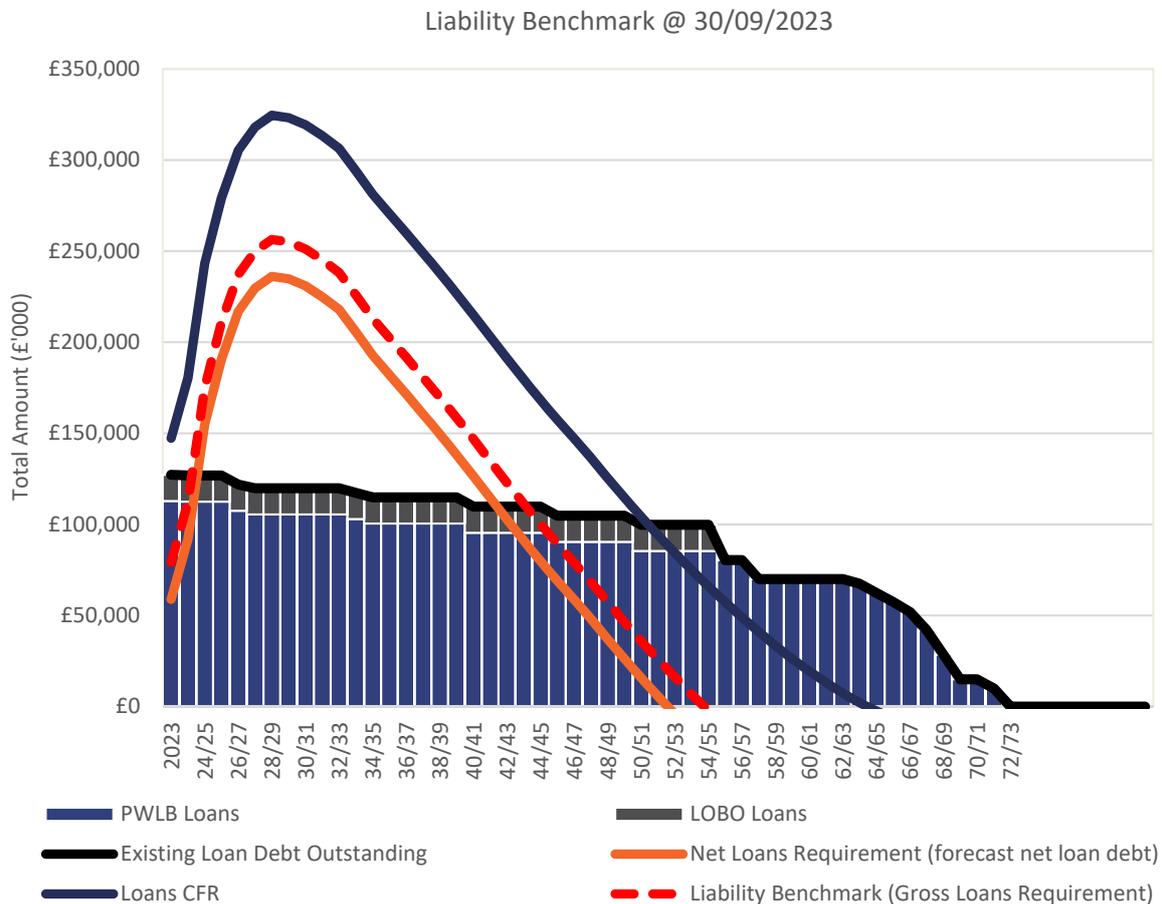
- i) Average “pool rate” compared to Scottish average:
  - East Renfrewshire Council 2022/23 was 3.34%
  - Average All Scottish Local Authorities 2022/23 was 3.486%.
- ii) Average borrowing rate movement year on year:
  - Average borrowing rate in 2021/22 was 4.99%
  - Average borrowing rate in 2022/23 was 4.81%. Although this a decrease of 0.18%, the variance is likely to increase as new loans are taken due to the high interest rates currently available. The target set in the Treasury Strategy to maintain or reduce rates year on year may therefore be difficult to achieve.

## 6. Liability Benchmark

A new prudential indicator for 2023/24 is the Liability Benchmark (LB). The Council is required to estimate and measure the LB for the forthcoming financial year and the following two financial years, as a minimum. It is a projection of the amount of loan debt outstanding that the Council needs to fund its existing debt liabilities, planned prudential borrowing and other cashflows.

There are four components to the LB: -

1. **Existing loan debt outstanding:** the Authority's existing loans that are still outstanding in future years.
2. **Loans CFR:** this is calculated in accordance with the loans CFR definition in the Prudential Code and projected into the future based on approved prudential borrowing and planned Loans Fund principal repayments.
3. **Net loans requirement:** this will show the Authority's gross loan debt less treasury management investments at the last financial year-end, projected into the future and based on its approved prudential borrowing, planned Loans Fund principal repayments and any other major cash flows forecast.
4. **Liability benchmark (or gross loans requirement):** this equals net loans requirement plus short-term liquidity allowance.



## 7. APPROVED ORGANISATIONS FOR INVESTMENT

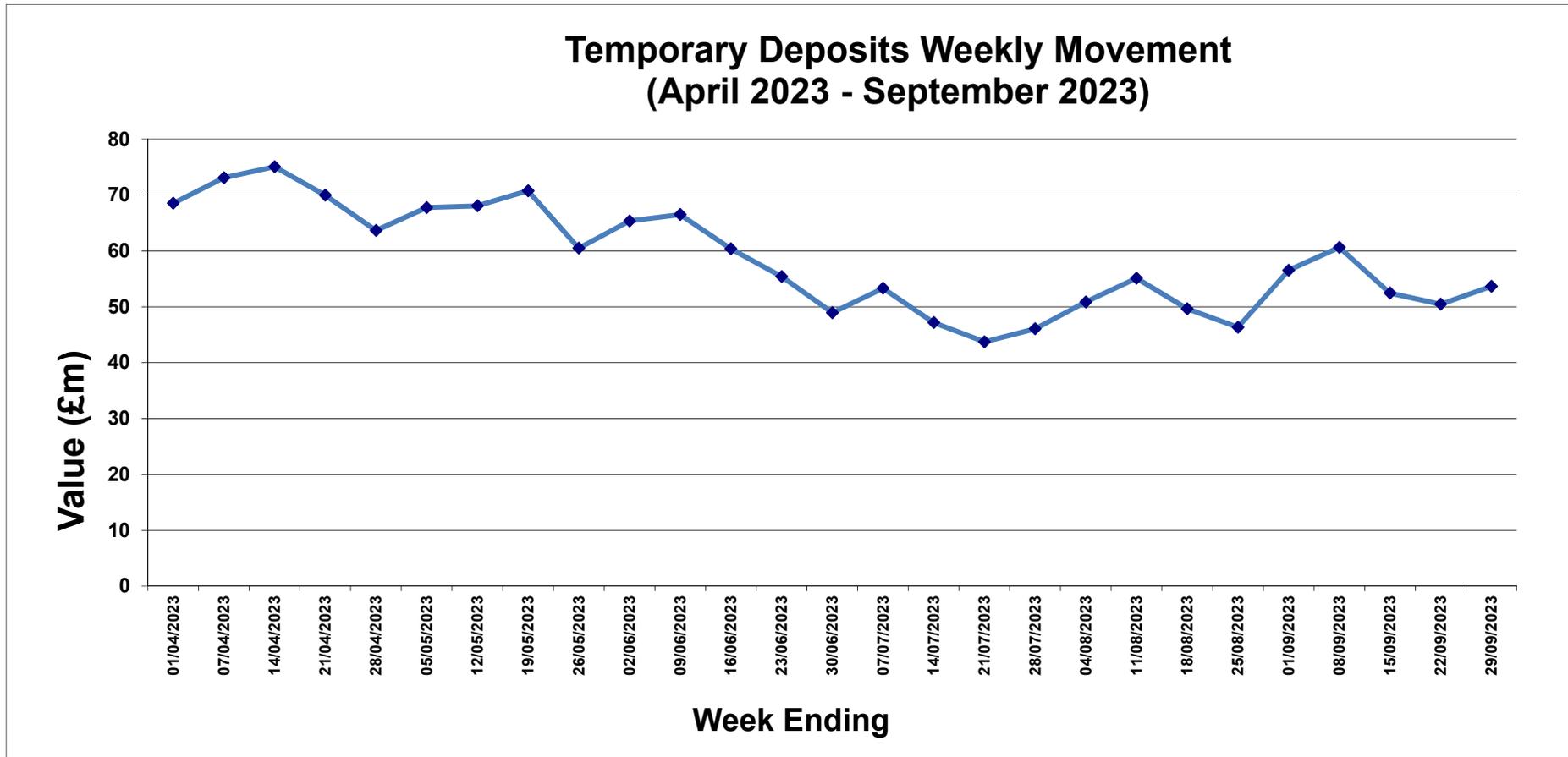
In line with normal practice the status of all Banks and Building Societies has been reviewed in order to amend the current list of approved organisations for investment (see appendix 8). No changes have been made to the list since last reported on 26 September 2023. All lending is in line with the permitted methods of investment which were approved by Council on 1 March 2023 as part of the Treasury Management Strategy report.

As a result of the banking crisis and in line with prudent financial management, investment has been restricted to UK organisations with high credit ratings. Also, the maximum period of investment was restricted to 6 months, in line with advice from our Treasury Advisers, Link Asset Services. These measures have been taken as part of a risk managed process designed to protect the principal of the sums invested.

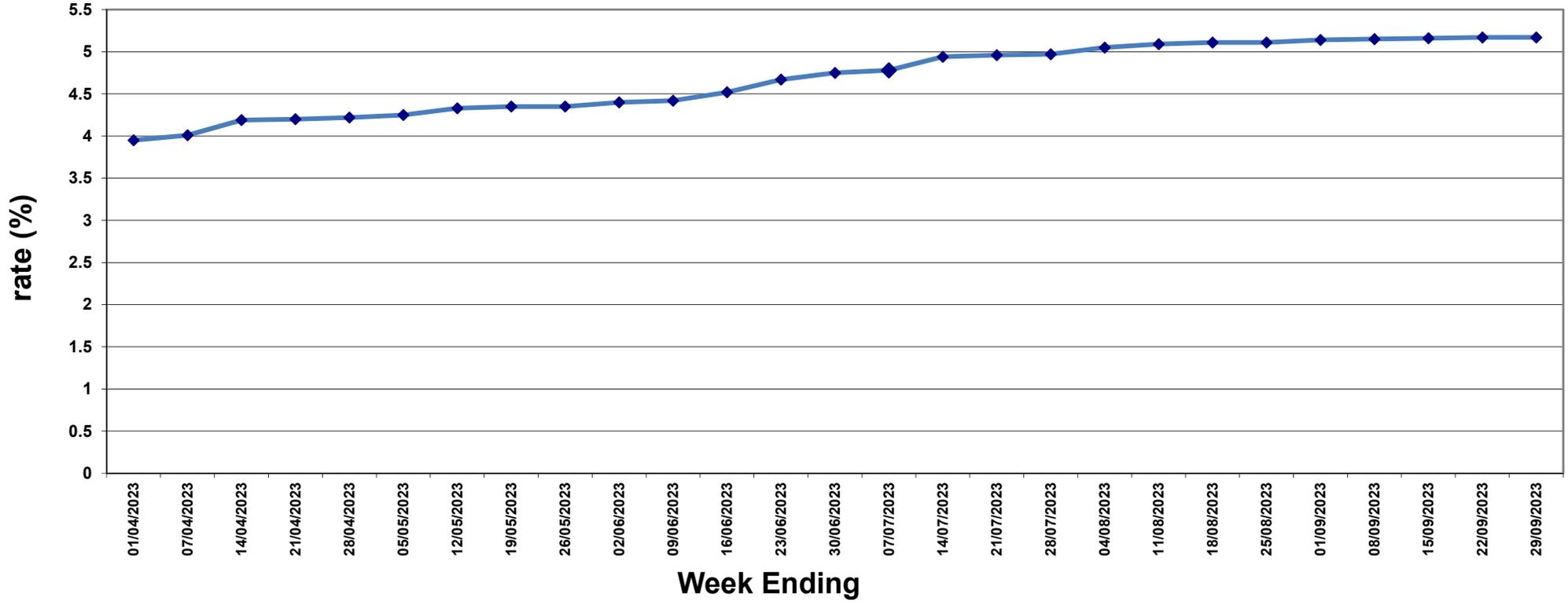
Credit ratings of organisations on the counter-party list are subject to continuous monitoring and review to ensure that subject to available professional advice, approved organisations remain sound for investment purposes.

## **8. TREASURY MANAGEMENT RISK**

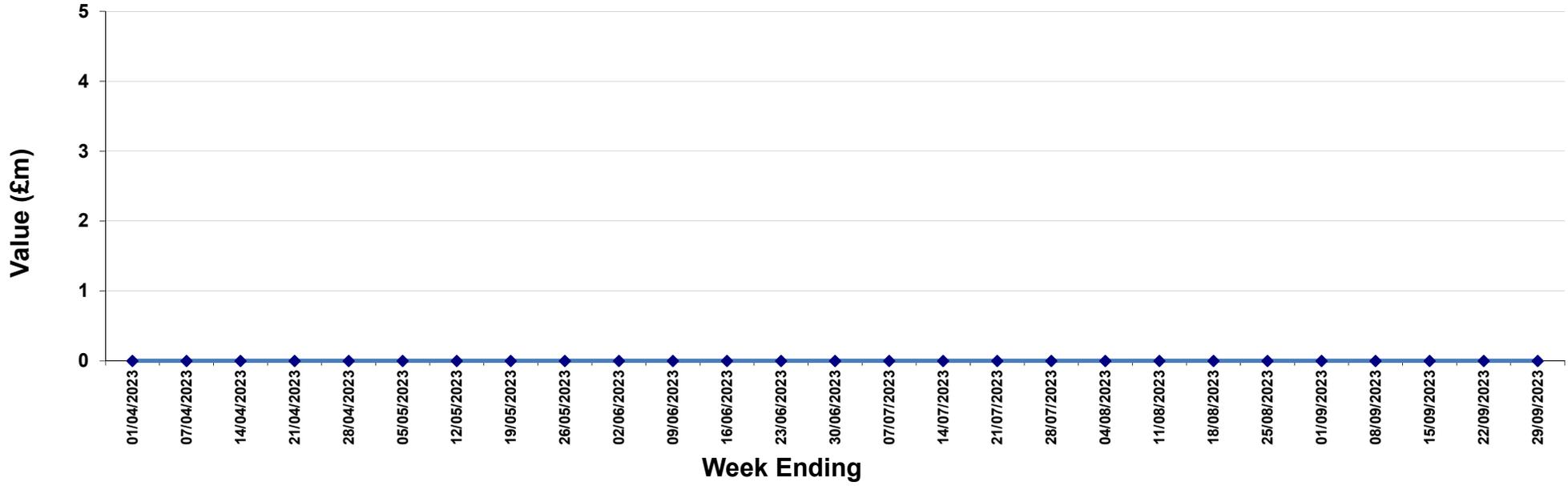
Within the Operational Risk Register for Accountancy Services there is a risk listed that highlights the difficulty in obtaining sufficient institutions, that meet the Council's criteria, to invest surplus funds with. To minimise this risk the Council has six Money Market Funds which provide highly diversified investments.



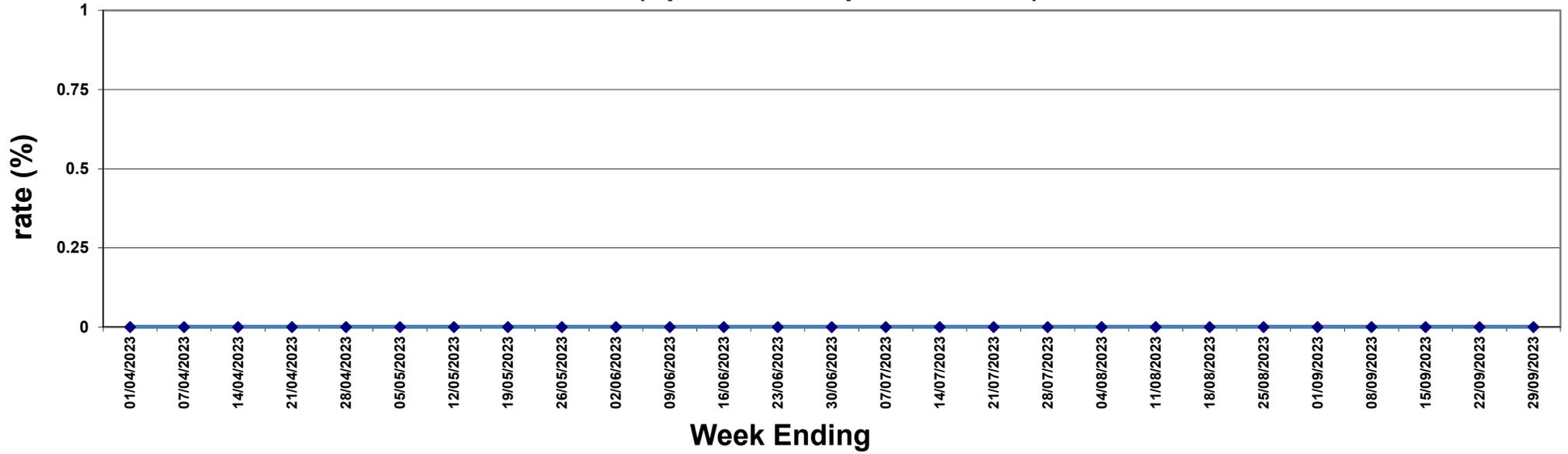
### Temporary Deposit Interest Rate Movements (April 2023 - September 2023)



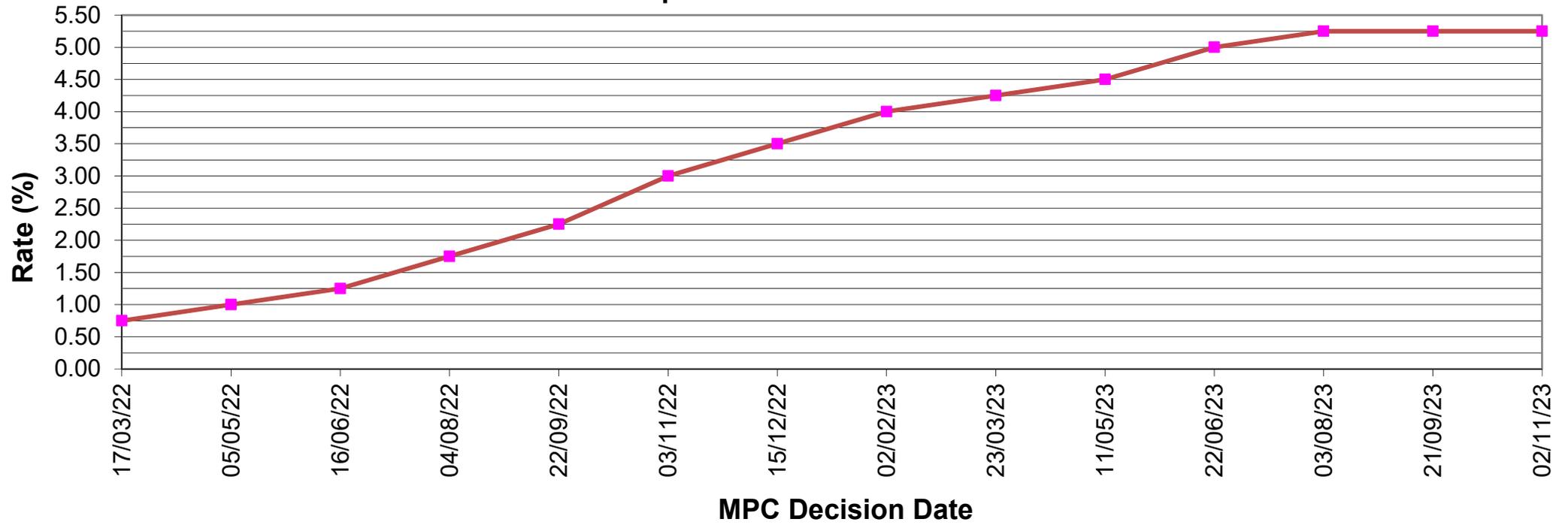
### Temporary Borrowing Weekly Movement (April 2023 - September 2023)



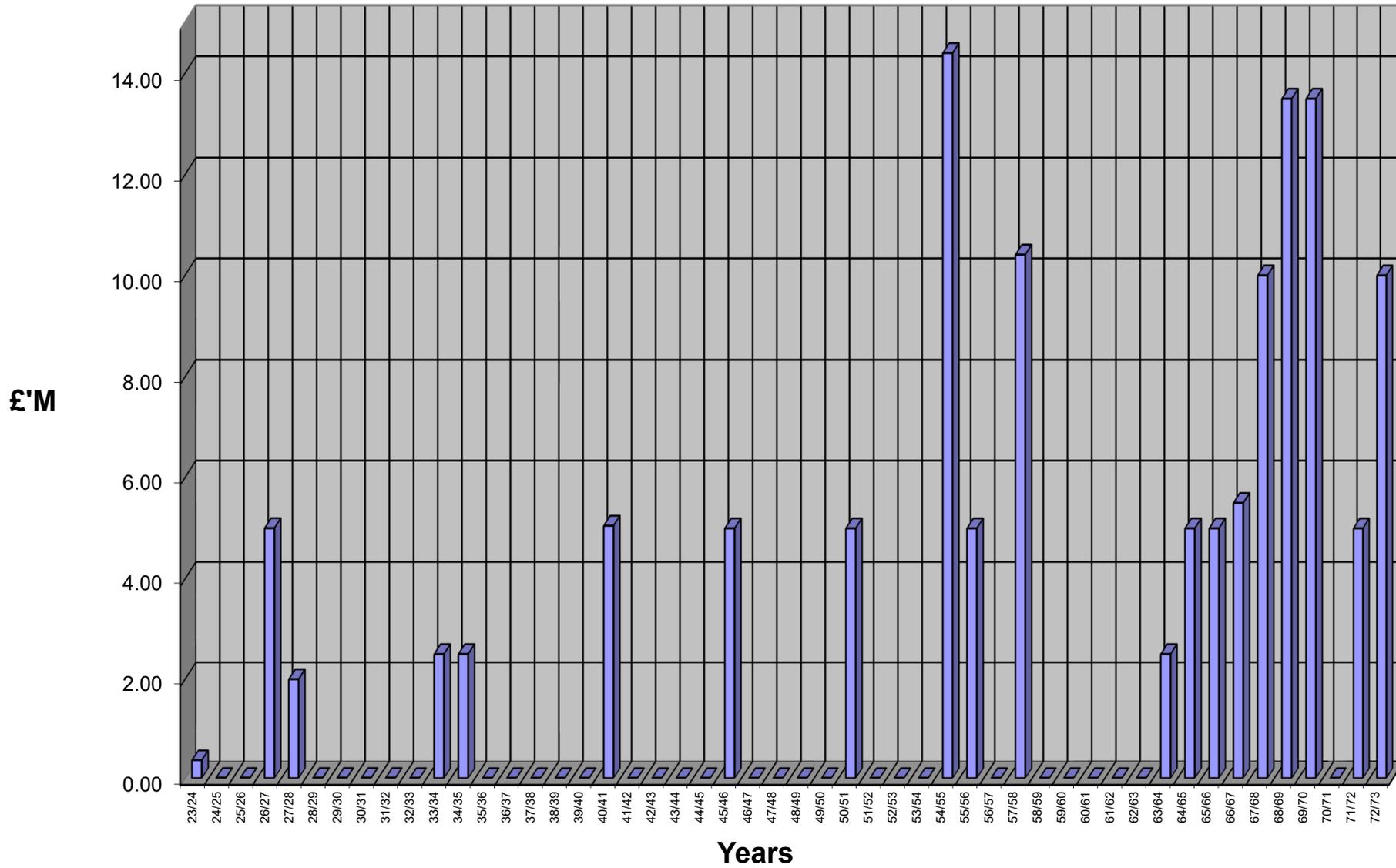
### Temporary Borrowing Interest Rate Movements (April 2023 - September 2023)



**Bank of England  
Base Rate Movements  
April 2022 to November 2023**



Long Term Debt Maturity Profile as at 30/09/2023



## EAST RENFREWSHIRE COUNCIL

ORGANISATIONS APPROVED FOR THE INVESTMENT OF SURPLUS FUNDS  
Limits

| Banking Group  | Individual Counterparty         | Deposit | Transaction |
|--|---------------------------------|---------|-------------|
| Bank of England  | Debt Management Office          | £30m    | £10m        |
|  | UK Treasury Bills               | £5m     | £5m         |
| Barclays Banking Group                                     | Barclays Bank plc               | £5m     | £5m         |
| Goldman Sachs International Bank                           |                                 | £10m    | £10m        |
| Lloyds Banking Group:                                      | Bank of Scotland plc            | £5m     | £5m         |
|  | Lloyds Bank Corporate Mkt (NRF) | £5m     | £5m         |
| Royal Bank of Scotland Group:                              | Royal Bank of Scotland plc      | } £5m   | £5m         |
|  | National Westminster Bank       |         |             |
| Santander Group  | Santander UK plc                | £10m    | £10m        |
| Standard Chartered Bank                                    |                                 | £10m    | £10m        |
| Clydesdale Bank  |                                 | £5m     | £5m         |
| <b>Building Societies</b>                                  |                                 |         |             |
| Nationwide   |                                 | £10m    | £10m        |
| <b>Local Authorities</b>                                   |                                 |         |             |
| All Local Authorities including Police & Fire              |                                 | £5m     | £5m         |
| <b>Money Market Funds and Ultra-Short Dated Bond funds</b> |                                 |         |             |
| Maximum limit of £10m per fund                             |                                 | £60m    | £10m        |

**Credit Ratings**

|  | Fitch |    | Moody's |         | S&P |         |
|--|-------|----|---------|---------|-----|---------|
|  | LT    | ST | LT      | ST      | LT  | ST      |
| Minimum Criteria<br>(unless Government backed)<br>(please note credit ratings are not the sole method of selecting counterparty) | A-    | F1 | A3      | P-1/P-2 | A   | A-1/A-2 |

**Limit**

Investment of surplus funds is permitted in each of the above organisations, limits can only be exceeded or another organisation approved with written permission of the Chief Financial Officer.

**Deposit Periods**

The maximum period for any deposit is based on the Link Asset Services suggested Duration matrix with a maximum of 6 months. These limits can only be exceeded with the written permission of the Chief Financial Officer.

Hub scheme deposit periods are dependent on the lifetime of the associated scheme.

EAST RENFREWSHIRE COUNCIL13 December 2023Report by Director of Business Operations and PartnershipsPROVOST'S ENGAGEMENTS**PURPOSE OF REPORT**

1. To advise the Council of the civic engagements carried out by Provost Montague since the meeting of the Council on 25 October 2023.

**RECOMMENDATION**

2. That the Council notes the report.

**REPORT**

3. Since the meeting on 25 October 2023, Provost Montague has carried out the following civic engagements:-

|             |   |
|-------------|---|
| 26 October  | Attended the Glasgow Academy Donald Dewar Memorial Lecture Series, Glasgow  |
| 30 October  | Attended a photoshoot with Chief Superintendent (CS) David Robertson and Steven Quinn, Chief Executive, in relation to a visit from CS Robertson                          |
| 2 November  | Attended the funeral of a former East Renfrewshire Council Director   |
| 5 November  | Attended Calderwood Lodge's 60 <sup>th</sup> Anniversary Celebration, Newton Mearns   |
| 10 November | Attended Woodfarm High School Remembrance Service at Cenotaph, Thornliebank   |
| 12 November | Attended the Royal British Legion Newton Mearns Branch's Remembrance Service at Newton Mearns Cenotaph and thereafter attended Giffnock/Newton Mearns Synagogue, Giffnock |
| 12 November | Attended East Renfrewshire Council's Remembrance Service at Cowan Park and thereafter the United Services Club, Barrhead  |
| 16 November | Attended a Diwali Celebration, Newton Mearns  |
| 17 November | Attended an Air Quality and Pupil Safety Event in Braidbar Primary School, Braidbar   |
| 17 November | Deputy Provost Kate Campbell attended the Showmen's Guild Luncheon, Glasgow   |
| 18 November | Attended an East Renfrewshire Faith Forum Event, Glasgow  |

|             |   |
|-------------|---|
| 19 November | Attended the Girlguiding Thanks and Recognition Event, Stamperland                  |
| 22 November | Hosted a Citizenship Ceremony Welcoming New Citizens to East Renfrewshire, Giffnock |
| 22 November | Attended the East Renfrewshire Business Awards 2023, Barrhead                       |
| 2 December  | Attended the Neilston First Responders Charity Event, Barrhead                      |
| 3 December  | Opened the First International Day of Disabled People Event, Thornliebank           |
| 3 December  | Attended the Centenary Service, St Aidan's Church, Clarkston                        |
| 6 December  | Attended the We Are East Ren Awards Ceremony, Clarkston                             |
| 9 December  | Attended the Ukrainian Christmas Festivities, Clarkston                             |
| 10 December | Attended the National Autistic Society Breakfast with Santa, Barrhead               |
| 10 December | Attended Clarkston Chanukah Celebration, Clarkston                                  |
| 12 December | Attended Nativity at Giffnock Primary School, Giffnock                              |

**RECOMMENDATION**

4. That the Council notes the report.

Report Author  
Linda Hutchison, Senior Committee Services Officer 0141 577 8388  
[linda.hutchison@eastrenfrewshire.gov.uk](mailto:linda.hutchison@eastrenfrewshire.gov.uk)  
Background papers - None

EAST RENFREWSHIRE COUNCILREVISION OF CONTRACT STANDING ORDERS13 December 2023Report by Chief Officer Legal and Procurement**PURPOSE OF REPORT**

1. To seek the Council's approval of revised Contract Standing Orders.

**RECOMMENDATIONS**

2. The Council is asked to:
  - (i) approve the proposed amendments to the existing Contract Standing Orders, as summarised in Appendix 1 to this report, and adopt the Contract Standing Orders included in Appendix 2 to this report with immediate effect; and
  - (ii) note that changes made are to provide further clarity in order to drive greater compliance overall with procurement governance and best practice.

**BACKGROUND**

3. The Council is required to have standing orders under the Local Government (Scotland) Act 1973. The Contract Standing Orders provide controls and regulation around all of the Council's purchasing and contract management activity, and place requirements on Directorates to effectively plan and contract manage the resulting contracts. The Contract Standing Orders are reviewed annually and amended as required to support continuous improvement and reflect legislative changes.
4. This most recent review which included consultation with all services has highlighted that the operation of the current Contract Standing Orders amended in December 2018 require some further changes to provide greater clarity and to improve efficiency of purchasing practices within the Council. With these aims in mind, further amendments are suggested.
5. Initial drafts of the proposed Contract Standing Orders have been issued to all services for consultation and suggested changes have been received. These have been evaluated in consultation with the Chief Procurement Officer and if considered appropriate, incorporated into the proposed new set.

**REPORT**

6. The proposed amendments to the existing Contract Standing Orders are summarised in Appendix 1 to this report. A track changed version of the current Contract Standing Orders is included in Appendix 2 to this report for comparison purposes.

**FINANCE AND EFFICIENCY**

7. While there is no direct cost to the Council in implementing the recommendations, the additional clarity in the Contract Standing Orders will minimise unintentional non-compliance and so reduce financial risk to the Council.

**CONSULTATION**

8. This review of Contract Standing Orders was carried out in consultation with all Council Services and with the Chief Internal Auditor.

**IMPLICATIONS OF THE PROPOSALS**

9. There are no IT, sustainability, staffing or other implications arising from this report.

**CONCLUSIONS**

10. The incorporation of the changes proposed will help to provide clarity in order to drive greater compliance overall with procurement governance and best practice which will protect the Council from unnecessary expenditure and risk of challenge.

**RECOMMENDATIONS**

11. The Council is asked to approve revised Contract Standing Orders which form Appendix 2 to this report and agree that said standing orders shall take immediate effect.

**REPORT AUTHOR**

Report Author: Debbie Hill – Chief Procurement Officer  
Report Date: 24 November 2023

Background papers – none

## Appendix 1 – Proposed Amendments

|                          |  |
|--------------------------|--|
| Page 1 - Front Cover     | <p>Date of effect amended to show December 2023.</p> <p>Amendment record at bottom of page updated to show date of change.</p>   |
| Page 2 and 3 - Index     | <p>Section names updated where appropriate and new sections included as follows:</p> <ul style="list-style-type: none"> <li>- Introduction</li> <li>- 7. Collaborative Procurements</li> <li>- 8. Conflict of Interest</li> <li>- 9. Contracts Register</li> <li>- 11. Includes Fair Work Practices</li> <li>- 13. Quick Quote</li> <li>- 14. Disaggregation and Lots</li> <li>- 16. Late Tenders</li> <li>- 20. Contract Management</li> <li>- 22. Modification to Contract</li> <li>- 25. Schedule of Rates Contracts</li> <li>- 28. Intellectual Property Rights</li> <li>- 29. Grants to other Organisations and Subsidy</li> <li>- 35. Performance Bonds and Parent Company Guarantee</li> <li>- 36. Reserved Contract</li> <li>- 37. Payments in Advance</li> <li>- 38. Contracts Termination</li> <li>- 39. Scots Law</li> <li>- Schedule 1 – Social Care Contracts</li> <li>- Schedule 2 – Procurement Thresholds</li> <li>- Schedule 3 – Procurement Process Maps</li> <li>- Schedule 4 – Contract Variation Flow Chart.</li> </ul> |
| Page 4 - Introduction    | <p>Introduction added to provide context to Contract Standing Orders.</p>  |
| Page 4 - 7 - Definitions | <p>Definitions numbered for easier reference for officers.</p> <p>Additional wording included where relevant to provide greater clarity for officers:</p> <p>New definitions included as follows:</p> <ul style="list-style-type: none"> <li>- “Act”</li> <li>- “Best Value” – to provide clarity.</li> <li>- “Cabinet” -</li> <li>- “Community Benefit”</li> <li>- “Corporate Procurement”</li> </ul>   |

|   |   |
|---|---|
|   | <ul style="list-style-type: none"> <li>- "Co-production"</li> <li>- "Fair Work First"</li> <li>- "Grants"</li> <li>- "Light Touch Regime"</li> <li>- "Procurement Category Manager"</li> <li>- "Procurement Manual"</li> <li>- "Procurement Thresholds"</li> <li>- "Procurement Journey Guidance"</li> <li>- "2015 Regulations"</li> <li>- "2016 Regulations"</li> <li>- "Regulations"</li> <li>- "Scotland Excel"</li> <li>- "Scottish Procurement"</li> <li>- "SME"</li> <li>- "SPD"</li> <li>- "Sustainable Procurement Policy"</li> <li>- "Social and other Specific Services"</li> <li>- "Tender Documents"</li> </ul> |
| Page 8 – Scope  | Updated to include additional examples of when the Contract Standing Orders do not apply.   |
| Page 9 – Application/Effect   | <p>Date of effect updated to date of Cabinet meeting and reference included to additional documents officers are directed to read. These being:</p> <p>Scheme of Delegation to Officers<br/>Procurement Manual<br/>Councils Financial Regulations</p>   |
| Page 9 – Variation, Revocation  | Reference to E.U. Thresholds removed as no longer relevant since the UK exit from the EU.   |
| Page 9 – Annual Plan  | Amended to give officers longer to respond. Now advises no later than end of June.  |
| Page 9 – Collaborative Procurements   | Included to provide clarity on collaborative procurements and governance to be followed.  |
| Page 10 – Conflict of Interest  | Included to provide clarity on officer responsibility in relation to where a conflict of interest is declared.  |
| Page 10 – Contract Register   | Included to provide clarity on the new Online Contracts Register and the need to engage the Corporate Procurement Unit.   |
| Page 11 – Contract Value and Budget   | Included to provide clarity on officer responsibilities in relation to contract letting and management.   |
| Page 12 – Community Benefits, Sustainable Procurement Policy & Fair Work Practices. | <p>Updated to include:</p> <p>Link to the Councils Sustainable Procurement Policy.</p>  |

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|---|--|
|   | <p>Reference to the Councils Climate Change Impact Assessment and when this may be required for completion.</p> <p>Reference to Supported Businesses, supported employment programmes and supported factories and when it is possible to contract with them.</p> <p>Reference to engagement of SMEs and when to invite them to the Councils Quick Quote Process.</p> <p>Link included to the Councils Online Trading Network – database of suppliers who have registered interest for invitation to Quick Quote opportunities.</p> <p>Reference to Fair Work Practices which is to be applied to contracts in excess of £10,000.</p> |
| Page 13 – Contract Process                    | <p>Updated to include link to the Councils Quick Quote instruction guide. This will provide quick access and clarity for officers.</p> <p>Reference to VAT included to provide clarity for officers when considering the calculation of the estimated value of a contract.</p>   |
| Page 13 - Quick Quote                         | Clarity on the Quick Quote process included.   |
| Page 13 – Disaggregation and Lots             | Included to provide clarity on aggregation of spend to ensure compliance with the Procurement Regulations and threshold values.  |
| Page 14 – Publicity for Tenders and Contracts | Reference to Schedule 1 now included in these Contract Standing Orders – specifically to provide clarity on Social Care contracts.   |
| Page 14 – Late Tenders                        | Included to provide clarity on the Councils position when a late tender is received.   |
| Page 15 – Purchase Orders                     | Updated to include further clarity on the Councils No PO – No Pay policy.  |
| Page 16 – Contract Management                 | Included to provide clarity on the Councils requirements for Contract and Supplier Management.   |
| Page 16 – Contract Value Variations           | <p>Current wording deleted as consultation feedback was that it was unclear.</p> <p>New wording simplified to provide better understanding for officers.</p> <p>Link included to Variation Form available from the Intranet.</p>   |

|   |   |
|---|---|
| Page 18 – Modification to Contract                        | Included to provide clarity when a contract is being modified from the original scope as issued.  |
| Page 19 – Exemptions from Competition                     | Amended to include clarity on exemption application process via the Online Contracts Register.<br><br>Also includes clarity on cumulative value of previous exemptions relating to the same matter. |
| Page 20 – Framework Agreements                            | Updated to include further information on Framework Agreements and when the Council can use these.  |
| Page 21 – Schedule of Rates                               | Included to provide clarity on fixing an indicative total value for a contract including a schedule of rates.   |
| Page 22 – Prior Approval for Specific Contracts           | Updated to include correct title for Head of ICT  |
| Page 22 – Contracts for Appointment of Consultants        | Updated to include reference to location of consultancy register and link to Procurement Manual included which includes fuller detail on this process for officers.                                 |
| Page 23 – Intellectual Property Rights                    | Included to provide the Council with protected rights for information we are paying for.  |
| Page 23 – Grants to Other Organisations / Subsidy         | Included to provide clarity on the issue of a grant and related subsidy rules.  |
| Page 26 – Specification Standards                         | Updated to include clarity on departmental responsibilities.  |
| Page 26 – Contract Provisions                             | Updated to include reference to SBCC and NEC as acceptable standard forms applicable to this clause.  |
| Page 27 – Liquidate and Ascertained Damages               | Updated to provide further clarity on the procuring department and corporate procurement working together on this area.   |
| Page 27 – Performance Bonds and Parent Company Guarantees | Included to ensure additional protection for the Council and will be applied where considered necessary by the Director of the procuring service.   |
| Page 27 – Payment in Advance                              | Included to provide clarity for payment in advance. Also includes reference to officers who are to be consulted for prior approval.   |
| Page 28 – Contract Termination                            | Included to provide clarity on contract termination and also the officers who must be contacted for prior approval.   |
| Page 28 – Scots Law                                       | Included to provide clarity on the law that will be applied under the Councils contracts.   |
| Page 29 – Schedule 1 – Social Care Contracts              | Included to provide clarity for the application of social care contracts.   |
| Page 32 – Schedule 2 – Procurement Threshold Values       | Included to provide easy to find threshold values relevant to the application of contracts in the UK.   |

Page 33 – Procurement Process Maps

Included to provide easy to follow charts identifying the procurement route to be followed for goods, services and works.

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# ***East Renfrewshire Council***

## ***Standing Orders Relating to Contracts***

***With effect from ~~25 June 2020~~  
December 2023***

|  |  |
|--|--|
| <u>Date of amendment</u><br>25 June 2020<br><u>30 June 2021</u><br><u>14 December 2023</u> | <u>Amendment made</u><br>Quick Quote works threshold increased for 12 months from June 2020<br><u>Quick Quote works threshold permanently increased from June 2021</u><br><u>Review and update</u> |
|--|--|

## INDEX

| <u>Order</u>         | <u>Topic</u>  | <u>Page No</u>      |
|----------------------|---|---------------------|
|                      | <a href="#">INTRODUCTION</a>  | <a href="#">3</a>   |
| 1                    | DEFINITIONS   | 3                   |
| 2                    | SCOPE   | <a href="#">74</a>  |
| 3                    | APPLICATION/EFFECT  | <a href="#">85</a>  |
| 4                    | VARIATION, REVOCATION   | <a href="#">85</a>  |
| 5                    | BEST VALUE, FAIRNESS AND TRANSPARENCY   | <a href="#">85</a>  |
| 6                    | ANNUAL PLAN   | <a href="#">85</a>  |
| <a href="#">7</a>    | <a href="#">COLLABORATIVE PROCUREMENTS</a>  | <a href="#">8</a>   |
| <a href="#">8</a>    | <a href="#">CONFLICT OF INTEREST</a>  | <a href="#">9</a>   |
| <a href="#">9</a>    | <a href="#">CONTRACT PROCESS</a>  | <a href="#">9</a>   |
| <a href="#">107</a>  | CONTRACT VALUE AND BUDGET   | <a href="#">95</a>  |
| <a href="#">118</a>  | COMMUNITY BENEFITS <del>AND</del> SUSTAINABLE<br>PROCUREMENT <a href="#">POLICY &amp; FAIR WORK PRACTICES</a> | <a href="#">115</a> |
| <a href="#">129</a>  | CONTRACT PROCESS  | <a href="#">126</a> |
| <a href="#">13</a>   | <a href="#">QUICK QUOTE</a>   | <a href="#">12</a>  |
| <a href="#">14</a>   | <a href="#">DISSAGREGATION AND LOTS</a>   | <a href="#">12</a>  |
| <a href="#">1540</a> | PUBLICITY FOR TENDERS AND CONTRACTS   | <a href="#">136</a> |
| <a href="#">16</a>   | <a href="#">LATE TENDERS</a>  | <a href="#">13</a>  |
| <a href="#">1744</a> | ACCEPTANCE OF TENDERS   | <a href="#">136</a> |
| <a href="#">182</a>  | PUCHASE ORDERS <del>AND CONTRACT REGISTER</del>   | <a href="#">147</a> |
| <a href="#">193</a>  | CONTRACT STRATEGY   | <a href="#">157</a> |
| <a href="#">20</a>   | <a href="#">CONTRACT MANAGEMENT</a>   | <a href="#">15</a>  |
| <a href="#">2144</a> | CONTRACT VALUE VARIATIONS   | <a href="#">158</a> |
| <a href="#">22</a>   | <a href="#">MODIFICATION TO CONTRACT</a>  | <a href="#">17</a>  |
| <a href="#">2345</a> | EXEMPTIONS FROM COMPETITION   | <a href="#">189</a> |

|                     |   |                     |
|---------------------|---|---------------------|
| <u>24</u> <u>16</u> | FRAMEWORK AGREEMENTS                                    | <u>19</u> <u>40</u> |
| <u>25</u>           | <u>SCHEDULE OF RATES</u>                                | <u>20</u>           |
| <u>17</u>           | <u>CONTRACTS FOR SOCIAL AND OTHER SPECIFIC SERVICES</u> | <u>40</u>           |
|                     | PRIOR APPROVAL FOR SPECIFIC CONTRACTS                   |                     |
| <u>26</u> <u>18</u> | CONTRACTS FOR APPOINTMENT OF CONSULTANTS                | <u>21</u> <u>44</u> |
| <u>27</u> <u>49</u> | <u>INTELLECTUAL PROPERTY RIGHTS</u>                     | <u>21</u> <u>44</u> |
| <u>28</u>           | <u>GRANTS TO OTHER ORGANISATIONS</u>                    | <u>21</u>           |
| <u>29</u>           | PRE- CONTRACT CONFIRMATIONS                             | <u>22</u>           |
| <u>30</u> <u>20</u> | INSURANCE   | <u>24</u> <u>42</u> |
| <u>31</u> <u>24</u> | SPECIFICATION STANDARDS                                 | <u>24</u> <u>42</u> |
| <u>32</u> <u>22</u> | CONTRACT PROVISIONS                                     | <u>25</u> <u>42</u> |
| <u>33</u> <u>23</u> | LIQUIDATE AND ASCERTAINED DAMAGES                       | <u>25</u> <u>42</u> |
| <u>34</u> <u>24</u> | <u>PERFORMANCE BONDS &amp; PARENT COMPANY</u>           | <u>26</u> <u>43</u> |
| <u>35</u>           | <u>GUARANTEES</u>                                       | <u>26</u>           |
|                     | <u>RESERVED CONTRACT</u>                                |                     |
| <u>36</u>           | <u>PAYMENT IN ADVANCE</u>                               | <u>26</u>           |
| <u>37</u>           | <u>CONTRACT TERMINATION</u>                             | <u>26</u>           |
| <u>38</u>           | <u>SCOTS LAW</u>  | <u>27</u>           |
| <u>39</u>           | <u>SCHEDULE 1 – CONTRACT STANDING ORDERS FOR SOCIAL</u> | <u>27</u>           |
|                     | <u>CARE</u>   | <u>28</u>           |
|                     | <u>SCHEDULE 2 – PROCUREMENT THRESHOLDS</u>              | <u>31</u>           |
|                     | <u>SCHEDULE 3 – PROCUREMENT PROCESS MAPS</u>            | <u>x</u>            |
|                     |   | <u>x</u>            |

## EAST RENFREWSHIRE COUNCIL STANDING ORDERS RELATING TO CONTRACTS

### INTRODUCTION

These Standing Orders Relating to Contracts of East Renfrewshire Council (“Council”) apply from 14 December 2023 and apply to contracts made by or on behalf of the Council for the procurement of the execution of works, supply of goods and materials and/or the provision of services. The Council makes these Standing Orders Relating to Contracts in terms of section 81 of the Local Government (Scotland) Act 1973.

These standing orders are subject to any overriding requirements of:

- (1) the Public Contracts (Scotland) Regulations 2015; the Concessions Contracts (Scotland) Regulations 2016; the Utilities Contracts (Scotland) Regulations 2016; all guidance made under and in terms of any of these Regulations; and all successor legislation or amendments to any of these Regulations (the “Procurement Regulations”);-the Procurement Reform (Scotland) Act 2014 and all regulations and guidance made under and in terms of that Act (the “Procurement Reform Rules”); and
- (2) the principles of fairness, equal treatment, non-discrimination, proportionality, and transparency (“the Principles of Procurement”).

### 1. DEFINITIONS

These words and expressions have the meanings given to them in this standing order:-

1.1 “Act” means the Procurement Reform (Scotland) Act 2014.

1.2 “Best Value” means the legal duty to secure continuous improvement in the performance of the Council’s functions as set out in Section 1 of the Local Government in Scotland Act 2003 having regard to the efficiency and effectiveness of services, the economic implications of providing that service and the need to meet equal opportunity requirements.

1.3 “Cabinet” means the political leadership of the Council.

1.4 “Call-off contract” means the mechanism by which specific purchases can be made under a Framework Agreement as indicated in that particular Framework’s terms.

1.5 “Contract” means a contract for the provision of services, supply of goods/materials or carrying out of public works or a combination of the same whether awarded through direct award without competition, appointment under Quick Quote process, award under tender process or call off from a framework agreement.

For the avoidance of doubt, the term ‘contract’ includes any form of agreement, written or unwritten, to which the Council is a party which creates rights and responsibilities for any of the parties involved.

1.6 “Community Benefit” means, benefits requested from suppliers within procurement exercises, which become contractual requirements. Community Benefits include

employment, education and community support and support for SMEs and Third Sector organisations.

- 1.7 “Consultant” means a professional person, or any firm or company employing such a person, engaged to provide professional advice in their particular field of expertise whether for a specific period or to complete a specific task, but excluding professional services provided by solicitors, counsel and actuaries.
- 1.8 “Contract Manager” means a person designated by the relevant department for a specific contract and named on the contract register as having day to day responsibility for supplier performance, contractual matters and managing the contract during its lifetime to ensure appropriate performance by the contractor.
- 1.9 “Contract for Social and other Specific Services” means a contract for any service as defined in Schedule 3 of the Public Contracts (Scotland) Regulations 2015. This includes, but is not limited to, contracts for social care provision, education and training services and event services. The award of any Social Care Contract shall also be subject to the rules set out in Schedule 1 of these standing orders.
- 1.10 “Contract for works” means a contract for the provision of any works as defined in Schedule 2 of the Public Contracts (Scotland) Regulations 2015. This includes, but is not limited to, contracts for construction, site preparation, demolition, civil engineering, roofing, plumbing and electrical installation.
- 1.11 “Corporate Procurement” means the centralised procurement team of officers that progress exercises for all procurements over the value of £50,000 for supplies and services and over £500,000 for works.
- 1.12 “Co-production” means the real and meaningful involvement of the citizens of East Renfrewshire including future recipients of the services and key stakeholders and suppliers (both current and potential) in how and what community services and related goods and works are delivered with regard to the National Standards for Community Engagement.
- 1.13 “Department” means any procuring Service of the Council as identified in its corporate structure, namely Chief Executive’s Office, ~~Corporate and Community Services~~ Business Operations & Partnerships, Environment, Education and Health and Social Care Partnership.
- 1.14 “Direct Award” means a form of call-off contract from a Framework Agreement whereby best value is pre-established within the framework terms, and a contractor is appointed without the requirement for further competition. Any direct award must be made in compliance with the Regulations, the 2014 Act, and any UK Government or Scottish Government guidance, as applicable.
- 1.15 “Director” means the Chief Officer of the department but also includes the Chief Executive, a Head of Service in that department or the Chief Officer- Legal and Procurement.
- 1.16 “Fair Work First” means, as promoted by the Scottish Government, the commitment by employers to investment in skills and training, no inappropriate use of zero hours contracts, action to tackle the gender pay gap, genuine workforce engagement, including with trade unions, and payment of the Real Living Wage.

- 1.17 “Framework Agreement” means an umbrella contract which sets out the terms and conditions under which specific purchases (call-offs) can be made throughout its lifespan. Framework agreements must be framed such that East Renfrewshire Council or Scottish Local Authorities are named as a participant.
- 1.18 “Grants” means financial contributions to a third party which help to meet the Council’s objectives in the wider community. The award of any grant shall also be subject to the rules set out in clause 30 of these standing orders.
- ~~“EU Threshold” means the value of a contract above which compliance with the full terms of the Public Procurement Regime is required.~~
- 1.19 “High Value/High Risk” means of a value or level of risk specified in guidance issued from time to time by the Chief Procurement Officer.
- 1.20 “IT related goods and services” means hosting or cloud based services, hardware, software, datasets, communication media, audio-visual equipment and applications and/or the installation, servicing or updating of these goods.
- 1.21 “Light Touch Regime” means those services that are listed in Schedule 3 and governed by Section 7 of the Regulations.
- 1.22 “Mini Competition” means a form of call-off contract from a Framework Agreement whereby competition is restricted to the named suppliers on the Framework.
- 1.23 “Procurement Category Manager” means an officer appointed to work within the corporate procurement team to carry out procurement activities on behalf of the Council.
- 1.24 “Procurement Manual” means the manual which sets out the fundamental rules, behaviours and standards applicable to procurement activity at East Renfrewshire Council. Officers who may be involved in the procurement activities Quick Quote / tendering are required to read it in conjunction with these standing orders.
- 1.25 “Procurement Thresholds” means the prescribed financial thresholds from 1 January 2022 of £5,336,937 (incl. VAT) (works contracts), £213,477 (incl. VAT) (supplies/services contracts) and £663,540 (incl. VAT) (Schedule 3 service contracts) as such contracts are defined or referenced in the Regulations.
- 1.26 “Procurement Journey Guidance” means the Scottish Government guidance for public sector buyers who procure goods, services and care and support services.
- 1.27 “Proprietary goods or services” mean goods or services that can only be obtained from one party because of technical or legal reasons.
- 1.28 “Quick Quote” means the online quotation process enabling the Council to obtain competitive quotes for lower value requirements provided as part of the Scottish Government Public Contracts Scotland Portal to be followed for goods, services and works as referred to in Clause 129, Contract Process.
- 1.29 “2015 Regulations” means the Public Contracts (Scotland) Regulations 2015 or successor legislation (as amended from time to time).
- 1.30 “2016 Regulations” means the Procurement (Scotland) Regulations 2016 or successor legislation (as amended from time to time).

- 1.31 “Regulated procurement” means a procurement for goods or services with a value of £50,000 or over or a public works contract with a value of £2,000,000 or over.
- 1.32 “Scotland Excel” means the joint committee of local authorities constituted under Section 57 of the Local Government (Scotland) Act 1973 for the purpose of regulating the joint discharge of their general purchasing functions.
- 1.33 “Scottish Procurement” means that part of the Scottish Procurement and Property Directorate of the Scottish Government, with responsibility for developing and implementing procurement strategies for national contracts on behalf of all Scottish public sector organisations and includes any successor organisation.
- 1.34 “SME” – means Small and Medium Enterprises (SMEs) which is defined as micro-enterprises with up to 10 employees. Small enterprises up to 50 employees and Medium-sized enterprises have up to 250 employees.
- 1.35 “SPD” means the Single Procurement Document used at selection stage of procurement exercise to identify suitably qualified and experienced bidders as specified in the Public Procurement Regulations.
- 1.36 “Supported Business” means such business as defined ~~in the European Procurement Regulations.~~ in Regulation 7 of the Public Contracts (Scotland) Regulations 2012.
- 1.37 “Supported Employment Programme” means such business as defined ~~in the European Procurement Regulations.~~ Regulation 7 of the Public Contracts (Scotland) Regulations 2012.
- 1.38 “Sustainable Procurement Policy” means the policy detailing the general principles the Council will follow across all its procurement and commissioning to ensure it is undertaken in a sustainable manner.
- 1.39 “Social and other Specific Services” means services as defined by the 2015 Regulations including:-
- Health, social and related services
  - Administrative social, educational, healthcare and cultural services
  - Other community, social and personal services
  - Legal services
  - Investigation and security services
  - Postal services
- 1.40 “Tender” means any offer received in relation to a Quick Quote, Mini Competition, Direct Bid process or Regulated Procurement exercise.
- 1.41 “Tender Documents” means the documents to be used in any tendering procedure. It includes, but is not restricted to, the SPD, the proposed conditions of contract, the specifications or the descriptions of the goods, services or works required by the Council and any Bills of Quantities and includes any such documents or drawings issued using electronic means.

1.42 "Total Value" means:-

- i. for a goods contract, the total price of the goods as identified in the contract;
- ii. for a services contract, the monthly spend under the contract multiplied by the duration of the contract in months (up to a maximum of 48);
- iii. for a works contract, the total price for the works as indicated in the contract plus the value of any supplies or services supplied by the Council to the contractor that are necessary for the works to be carried out

## 2. SCOPE

These standing orders apply to all Contracts made by or on behalf of the Council except:-

- a) any contract relating to the engagement of Counsel or other legal specialists;
- b) any tenders invited on behalf of any consortium, collaborative group or similar body the Council is a member of
- c) any procurement conducted under any Framework Agreement set up by the Council or another Public Contracting Authority as defined in the Public Contracts (Scotland) Regulations 2015 as amended, including, but not restricted to, Scotland Excel, Scottish Procurement, Crown Commercial Services, the National Health Service, HUB West Scotland or other grouping of Local Authorities or public bodies but only to the extent that these standing orders are inconsistent with the procedures set out in such agreements.
- d) Any contract relating to a private finance initiative or a public private partnership or to HUB West Scotland.
- e) Any contract progressed by the Council under the City Deal initiative (which will be subject to the procedures and strategy agreed by the Council and others for that particular purpose), but only to the extent that these standing orders are inconsistent with those procedures and strategy.
- f) Contracts of employment.
- g) Contracts solely relating to the lease, transfer, purchase or disposal of an interest in land or buildings.
- h) Where the nature of the care package being arranged for a person is unique and cannot be provided for under existing Council Frameworks or contracts.
- i) By statute.
- j) Contracts entered into on behalf of the Council by Strathclyde Partnership for Transport acting in their capacity as agents of the Council to secure the provision of school transport.
- k) Contracts for the commissioning of theatrical, musical, dramatic or other artistic performances, subject to the prior approval of the Chief Procurement Officer.

~~To avoid doubt, these Standing Orders do not apply to any employment contract or any contract relating to the lease, transfer, acquisition or disposal of an interest in land or buildings.~~

### 3. APPLICATION/EFFECT

- 3.1 These Standing Orders take effect from ~~19 December 2018~~ 14 December 2023 and must be read in conjunction with the Scheme of Delegation to Officers, the Procurement Manual and the Council's Financial Regulations. Any unfinished contract process started prior to that date must be concluded using the previous Standing Orders.
- 3.2 Failure to comply with these Standing Orders may result in investigations, which may lead to disciplinary action in accordance with Council policy and procedures regarding officer conduct.
- 3.3 Any query regarding the application or interpretation of these Standing Orders should be made in the first instance to the Chief Procurement Officer.

### 4. VARIATION, REVOCATION

- 4.1 The Chief Officer – Legal and Procurement can vary these standing orders to reflect changes in job titles, departmental restructuring, vacancies in posts or any change in the financial threshold values, ~~of the E.U. Thresholds~~ or Council documentation referred to herein. In all other respects these standing orders may be varied or revoked only by decision of the Council.

### 5. BEST VALUE, FAIRNESS AND TRANSPARENCY

- 5.1 A department must seek Best Value for the Council in all contract processes it starts. It must be able to demonstrate fairness and transparency to all parties having an interest in a contract. Best value is to be achieved through an appropriate balance of quality and cost to the Council, whilst having regard to efficiency, effectiveness, the economy, the need to meet equal opportunity and sustainability requirements and to minimise risk to health and safety.

### 6. ANNUAL PLAN

- 6.1 Before the end of March in each year and only where this is not possible no later than end of June, each Director must give the Chief Procurement Officer a list of proposed regulated procurements which their department expects to progress in the next two financial years. This will allow the Chief Procurement Officer to produce the Council's annual plan which must be submitted to Scottish Government as soon as practically possible following the end of the financial year.

### 7. COLLABORATIVE PROCUREMENTS

- 7.1 Where the Director considers it to be in the best interests of the Council and in accordance with Best Value to do so, he/she may seek to enter into a collaboration with one or more other public authorities in respect of the procurement of Supplies, Services or Works, subject to the following provisions.
- 7.2 Every collaborative exercise shall require to be approved in advance by the Chief Procurement Officer and the procurement process shall be undertaken in conjunction with the Corporate Procurement Unit.

7.3 Where it is proposed that the Council shall act as lead authority in a Collaborative procurement exercise, the terms of these Standing Orders shall apply to the procurement process and the written agreement of the other parties to the Collaboration, in the form of a Memorandum of Understanding, shall be obtained to this effect.

7.4 Where another authority acts as lead authority in a Collaborative procurement exercise for a contract on behalf of two or more public bodies, including the Council, the procurement and award process shall be conducted in accordance with the Standing Orders of the lead authority. In every such case however, the Director must first be satisfied that the procurement and award of any such contract ensures that the principles of Best Value are adhered to, and the best interests of the Council are served at all times.

## **8. CONFLICT OF INTEREST**

8.1 No officer who has a potential conflict of interest or a direct or indirect pecuniary interest in any procurement exercise is permitted to be involved in the development of the specification or contract strategy, evaluation, award of the contract or contract management process.

8.2 If any officer has a conflict of interest in any aspect of the procurement process, they must declare this interest as soon as it arises. The interest must be declared to their line manager and the Chief Procurement Officer.

8.3 Examples of Conflicts of Interest include members of the evaluation panel having a financial interest or having a relationship (spouse, partner, family member, close friend etc.) with someone in the bidder's organisation. Failure to declare a conflict of interest in a Procurement Exercise may result in disciplinary action.

## **9. CONTRACT REGISTER**

9.1 Prior to purchasing any Supplies, Services or Works, officers are required to check the Online Contract Register available on the Intranet and consult with the Procurement Unit to establish whether any existing contract or Framework Agreement accessible to the Council might fulfil their requirement.

9.2 If a contract exists for the specific Supplies, Services and Works required officers should check with the Procurement Unit that they are able to utilise the contract. If agreed that the contract can be used and represents best value officers must then use the existing contract. If not agreed, an alternative contract will be procured. To utilise an existing contract, a purchase order should be raised in advance of making any commitment to Suppliers. The purchase order should reflect the reference number of the contract being used.

## **107. CONTRACT VALUE AND BUDGET**

10.1 A department must identify the value of a prospective contract before placing it without competition or starting a tendering process for it. The Director must have a reasonable belief that there will be sufficient budget available to meet the net estimated cost of the contract. If funding is being provided by a third party, the Director

must ensure that the Council have approved acceptance of that funding prior to commencing the tendering process.

10.2 The Director has responsibility for all contracts tendered and let by their Directorate and is accountable to the Council for the performance of their duties in relation to contract letting and management, which are:

- (1) to ensure compliance with these Standing Orders.
- (2) to ensure no contract is entered into by the Council without seeking advice, where appropriate, from the Chief Procurement Officer and or the Chief Officer Legal and Procurement and having proper regard to such advice.
- (3) to ensure that appropriate contract security (for example guarantees or performance bonds) is obtained where required or considered prudent.
- (4) to prepare, in consultation with the Procurement Category Manager, appropriate tender documents which clearly specify the scope, quality and quantity of the works, goods or services.
- (5) Where the works or services are in connection with any Built Environment assets, then the Director is required to consult with the Director of Environment / Head of ICT & Resilience to ensure that proposals are competently prepared.
- (6) to check whether there is any existing Council or other collaborative Framework that can appropriately be used to achieve Best Value for the Council before undergoing a further competitive tender process.
- (7) to keep all bids confidential subject to any legal requirements.
- (8) to take appropriate measures to prevent, identify and remedy conflicts of interest arising in the conduct of procurement procedures so as to avoid distortion of competition and to ensure equal treatment of tenderers and to maintain written records of the measures taken and any conflicts arising.
- (9) to ensure that any evaluation panel is suitably competent, and trained to assess tenders.
- (10) to ensure no supplier is requested by the Council to provide goods, services or works without first having a valid purchase order in place.
- (11) to enter all purchase order information onto the relevant Council financial system prior to the service, goods or works being delivered.
- (12) to put in place arrangements for competent and efficient contract and supplier management including the identification of a Contract Manager and management of benefits and performance, for the entire duration of the contract or Framework. For Frameworks or contracts used by more than one Directorate the arrangements for contract and supplier management shall be made by the Director for the Directorate with the largest spend or anticipated spend.
- (13) to take immediate action in the event of a breach of these Standing Orders or non-compliance within his/her directorate.

(14) to consult with Elected Members on matters reasonably considered politically, reputationally or financially sensitive in relation to proposed procurement activity.

## **118. COMMUNITY BENEFITS, AND SUSTAINABLE PROCUREMENT POLICY & FAIR WORK PRACTICES**

11.1 All procedures for initiating procurement, inviting and receiving tenders, approval of contracts and all contractual arrangements entered into, shall support the delivery of the Council's Sustainable Procurement Policy.

<https://intranet.erc.insider/article/9550/Sustainability--Sustainable-Procurement-Policy> This shall include compliance with the Council's equality and sustainability duties and so far as practicable making procurement spend more accessible to local small businesses and the third sector, contributing to the Council's 2030 carbon-neutral target, encouraging and promoting Fair Work First principles, payment of the Real Living Wage and increasing community benefits delivered by suppliers.

11.2 In all quick quotes/ tenders of a value of £50,000 or more, the procuring department ~~must decide whether to will~~ require bidders to identify proposed community benefits where it is considered appropriate to the contract ~~they will provide together with and provide~~ a method statement as to how they will achieve these benefits. A decision to include such a requirement will be based on the nature and length of the contract and other local factors which should be discussed with a Procurement Category Manager.

11.3 Where community benefits are being sought from a contractor this fact should be included in any Quick Quote or contract notice

11.4 If community benefits are being sought, at the closing date for bids the preferred bid will be considered under the Council's Community Benefits policy current at that time.

~~For all proposed contracts with a value in excess of £25,000 relating to the matters specified in the Council's Sustainable Procurement Policy current at the time, an environmental opportunities checklist must be completed by the procuring department before they are advertised.~~ When directed by Procurement or the Environment department, all contracts with a value in excess of £50,000 are required to complete the Climate Change Impact Assessment tool available on the Intranet. Consideration should also be given to utilising the Scottish Governments Sustainable Procurement Tools <https://sustainableprocurementtools.scot/> and the involvement of Small or Medium Enterprises (SMEs), third sector bodies and supported businesses by using separate lots.

11.6 The Council reserve the right to issue a tendering procedure to providers operating supported businesses, supported employment programmes or supported factories where more than 50% of the workers are disabled or disadvantaged persons in accordance with the 2015 Regulations. Where this right is exercised by the Council the contract award procedures provided by the Regulations and Act shall be followed.

11.7 Where possible the Council shall seek to ensure that for purchases or contracts of an estimated value of £50,000 or less, at least one SME from East Renfrewshire or an SME who is a significant employer within East Renfrewshire is invited to respond. The Online Trading Network is a database of suppliers interested to work with the Council and should be checked for any appropriate suppliers to invite. <http://intranet.erc.insider/suppliersearch?1=1%3b%2fsuppliersearch>

11.8 All contracts with a value in excess of £10,000 shall set out the Council's commitment to fair working practices and the Council's expectation that contractors take a similarly positive approach as part of a fair and equitable employment and reward package for their staff. Every contract shall also set out that the Council is committed to proactively vetting our supply chain to ensure no instances of modern slavery are taking place.

## **912 CONTRACT PROCESS**

- i) Contracts for goods and services of a total value of £10,000 or less and for works of a total value of £20,000 or less will be progressed in a manner to be determined by the Director of the procuring department, subject to the general requirement to obtain best value and ensure fairness reflected in Standing Order 5.
- ii) Contracts for goods and services of a total value above £10,000 but under £50,000 and for works of a total value above £20,000 but under £500,000 will be progressed by means of the Quick Quote procedure. The Quick Quote instruction guide is available on the Procurement page of the Intranet. <https://intranet.erc.insider/article/9543/Quick-Quote>
- iii) Contracts for goods and services of a total value of £50,000 and above and for works of a total value of £500,000 and above will be progressed by the Chief Procurement Officer in consultation with the procuring service.
- 4) Wherever VAT may be payable under a contract, the Council must ensure that an allowance for VAT is included in the calculation of the estimated value of the contract for the purposes of determining whether the contract equals or exceeds the thresholds detailed.

## **13. QUICK QUOTE**

- 13.1 As outlined in the Quick Quote instruction guide available on the Procurement page of the Intranet a minimum of 5 suppliers must be invited to respond at least one of which should be local where possible. Where you are not able to identify 5 suppliers you should seek advice from your Procurement Category Manager.
- 13.2 No quotation shall be considered unless it is received in the format required by the Council and by the deadline set for the receipt of quotations.
- 13.3 The quotation post-box will be opened by the procuring service via the unlock facility on the portal.
- 13.4 Each quotation shall be evaluated in accordance with the criteria detailed in the Quick Quote instructions guide available on the Procurement page of the Intranet.

## **14. DISAGGREGATION AND LOTS**

- 14.1 No potential procurement shall be sub-divided with the effect of avoiding the application of any provision of Contract Standing Orders or any relevant legislation, unless subdivision can be objectively justified.

14.2 A known continuing annual requirement for the same type of service or works across Council Services must be aggregated into a procurement of a longer duration as required by these Contract Standing Orders and/or legislation. The estimated value so determined by the longer duration shall be the value of the contract.

14.3 While the Corporate Procurement Team will carry out monitoring and research to identify opportunities for aggregation, all officers with budgetary responsibility have a duty to advise the Corporate Procurement Team of any such opportunities which they become aware of.

14.4 The allocation or approval of budgets and the devolved management of budgets does not dispense with the requirement to comply with the provisions of these Contract Standing Orders and relevant legislative provisions.

14.5 The artificial splitting of purchase orders or requirements to avoid the application of these Standing Orders is not permitted.

#### **1015. PUBLICITY FOR TENDERS AND CONTRACTS**

15.1 This Standing Order does not apply to tenders for Social and other Specific Services which are subject to the terms of [Standing Order 17 schedule 1](#) or to contracts for the appointment of consultants which are subject to Standing Order [1927](#).

15.2 All other Contracts for goods and services of a total value of £10,000 or less and for works of a total value of £20,000 or less shall be advertised at the discretion of, and in a manner decided by, the Director of the procuring department taking account of the nature of the contract, its value and the need to ensure best value for the Council. The Director must record the reasons for deciding that a contract will not be advertised and must keep this record as evidence.

15.3 All other Contracts for goods and services valued between £10,000 and £50,000 and for works valued between £20,000 and £500,000 shall be advertised by the Director of the procuring department in accordance with the Quick Quote procedure.

15.4 All other Contracts for goods and services valued £50,000 and above and for works valued £500,000 and above will be advertised by the Chief Procurement Officer publishing an invitation to tender on the Public Contracts Scotland portal.

#### **16. LATE TENDERS**

16.1 No tenders received after the closing date and time for submission shall be considered. Where a tender is late due to a failure or lack of availability of the electronic tendering platform, and which is not attributable to the tenderer or as the case may be their agent, the express approval of the Chief Procurement Officer shall be required to admit the tender for consideration.

#### **117. ACCEPTANCE OF TENDERS**

17.1 In all cases the tender to be accepted will be the most economically advantageous tender. Where the preferred tender falls within the approved budget it will be accepted:-

- ~~i.~~(1) If of a total value of £10,000 or less for goods and services or £20,000 or less for works, by the procuring department issuing a purchase order.
  - ~~ii.~~(2) If a Quick Quote for a total value between £10,000 and £50,000 for goods and services or between £20,000 and £500,000 for works, by the placing of a contract award notice on the Quick Quote system by the procuring department
  - ~~iii.~~(3) If for the supply of goods and services and of a total value between £50,000 and £150,000 inclusive, by the Chief Officer – Legal and Procurement, Chief Procurement Officer or the Principal Solicitor.
  - ~~iv.~~(4) If of a total value in excess of £150,000 goods and services and £500,000 works by the Chief Officer – Legal and Procurement or the Principal Solicitor.
  - (5) If a received tender has omitted to fill in all areas of the pricing document the procuring department will, after consultation between Procurement and the procuring department, disallow the tender.
- 17.2 If it is proposed to accept a tender and the price is in excess of the approved budgetary figure, the prior approval of the Chief Executive or the Chief Finance Officer must be obtained and a report submitted to the next meeting of the Cabinet or appropriate Committee.

#### **18.18. PURCHASE ORDERS AND CONTRACT REGISTER**

- 18.1 At the time of acceptance of any tender, Quick Quote or award of contract, the procuring department must issue a corresponding purchase order. It must thereafter follow the required procedures regarding goods received notification and prompt payment of invoices. For the avoidance of doubt, this clause also applies to call-offs from Framework Agreements in which case the Framework Agreement title and reference number should be stated.
- 18.2 The contract and the purchase order must be cross referenced and all payments in respect of the contract made in accordance with the contract and purchase order terms.
- 18.3 The value of any purchase order should reflect the value of the corresponding contract but may be increased during the life of a contract by a figure no more than 10% of the contract value in the case of goods and services contracts and no more than 15% in the case of works contracts to allow for contingencies which arise. Clause 14, Contract Value Variations, is to be read in conjunction with this Clause.
- 18.4 For contracts that have no guaranteed or fixed expenditure (such as framework agreements or measured term contracts) the purchase order value should be set in line with anticipated spend.
- 18.5 The use of retrospective orders is not permitted and can only be used when an extreme emergency arises which places property or life at risk.
- 18.6 The Council operates a “No PO – No Pay” policy, this means that any invoice received from a Supplier without a valid purchase order will be returned to the Supplier. Officers are therefore responsible for ensuring that Suppliers are given a valid purchase order to quote on their invoices to ensure that Suppliers are paid on time.

## **1319. CONTRACT STRATEGY**

- 19.1 Before issuing any tender for goods and services of a value of £50,000 and above and for works of £500,000 and above, the procuring department must liaise with the ~~Chief Procurement Officer~~ Procurement Category Manager to produce a contract strategy document, Procurement Route 2 or Route 3. Amongst other matters, the strategy will require to identify whether it is relevant and proportionate to evaluate contractors in relation to fair work practices and community benefits given the nature of the contract.
- 19.2 At the strategy development stage the procuring department should identify all risks associated with the procurement so as to include measures to mitigate them in tender documentation. The procuring department will enter the risk in their service risk register if the Director perceives the risk to be significant.
- 19.3 In developing the contract strategy, procuring departments should identify the appropriate level of contract management to be applied during the contract period taking into account the total contract value, complexity, risk and market conditions. This should be reflected in the invitation to tender.
- 19.4 After awarding the contract, the procuring department must identify a Contract manager to manage it in line with the standards identified in the tender. Contract management reviews shall cover the financial aspects of the contract and other relevant operational issues to establish a measure of supplier performance against the contract requirements with evidence being retained for audit purposes.

## **20. CONTRACT MANAGEMENT**

- 20.1 Throughout the life of a contract it should be managed by the Contract Manager in respect of
- (1) following the corporate Standard Operating Procedure:  
<https://intranet.erc.insider/article/9556/Contract-and-Supplier-Management>
  - (2) performance;
  - (3) compliance with the specification and other terms of the contract;
  - (4) cost and benefits;
  - (5) best value requirements;
  - (6) equality requirements;
  - (7) in line with the Sustainable Procurement Policy;
  - (8) delivery and risk management;
  - (9) continuous Improvement.

## **1421. CONTRACT VALUE VARIATIONS**

~~Contract value may, if necessary, be routinely extended by a sum no more than 10% of the initial contract value (in the case of contracts for goods and services) and 15% (in the case of contracts for works), provided the appropriate authorisation route as outlined below is complied with.~~

~~Variations greater than £100,000:-~~

~~All variations exceeding £100,000 must be reported to Cabinet for approval prior to the variation being instructed. If the variation is urgently required, approval may be given by two~~

~~members of Cabinet. In that case, the variation should be reported to full Cabinet as soon as practicable after such approval.~~

~~Variations up to and including £100,000:-~~

~~For any contract of quick quote value and below, the variation must be authorised by an appropriate line manager and a full audit trail retained.~~

~~For any contract above quick quote value, the procuring department shall provide to their Director for consideration and approval the following details: contract name and reference number, contract period, supplier name, contract award value, nature and value of the variation and confirmation of available budget. On approval, the same detail shall be furnished to Corporate Procurement for the amendment of the related contract records.~~

~~Contract value may exceptionally be extended by a sum in excess of the 10 and 15% thresholds provided the appropriate authorisation route as outlined below is complied with.~~

~~For any contract of quick quote value and below:-~~

~~Where the initial value of the contract plus the proposed variation amounts to a sum below or within quick quote thresholds, the variation must be authorised by an appropriate line manager and a full audit trail retained~~

~~Where the initial value of the contract plus the proposed variation amounts to a sum in excess of quick quote value, the procuring department shall provide to their Director for consideration and approval the following details: contract name and reference number, contract period, supplier name, contract award value, nature and value of the variation and confirmation of available budget. On approval, the same detail shall be furnished to Corporate Procurement for the amendment of the related contract records.~~

~~For any contract above quick quote value:-~~

~~Any desired variation in excess of the 10% or 15% limits must be referred to the Chief Officer – Legal and Procurement for consideration of its legal implications. If sanctioned by the Chief Officer Legal and Procurement the proposed variation must be reported to Cabinet for approval prior to the variation being instructed. If the variation is urgently required, approval may be given by two members of Cabinet. In that case, the variation should be reported to full Cabinet as soon as practicable after such approval.~~

21.1 All Contract Variations must be carried out within the scope of the original contract and must not materially affect or change the Contract.

21.2 There are significant limitations upon the Council being able to make such modifications, especially where the Procurement Legislation applies.

21.3 The provisions detailed here will apply to a proposed variation alone or in conjunction with previous variations of the contract.

21.4 Variations referred to herein are variations beyond the value of the original, accepted and / or ordered contract sum, whether for goods and supplies or for works.

21.5 Such variations must be approved by:

21.5.1 The Line Manager of the procuring service if the value of the variation is less than 10% goods and services or 15% works, or the revised total Contract Value is less than £100k.

21.5.2 The Chief Officer – Legal and Procurement if the value of the variation is in excess of the 10% goods and services , where total contract value is more than £100k for goods and services for consideration of its legal implications. If sanctioned by the Chief Officer Legal and Procurement the proposed variation must be reported to Cabinet for approval prior to the variation being instructed.

21.5.3 The Chief Officer – Legal and Procurement if the value of the variation is in excess 15% of the works, where total contract value is more than £200k for works for consideration of its legal implications. If sanctioned by the Chief Officer Legal and Procurement the proposed variation must be reported to Cabinet for approval prior to the variation being instructed.

21.5.4 If the variation is urgently required or required during recess, approval may be given by two members of Cabinet. In that case, the variation should be reported to full Cabinet as soon as practicable after such approval.

21.6 Where approval has been granted the Variation form available on the procurement page of the Intranet must be completed by the Director or delegated officer and a copy provided to Corporate Procurement for the contract file. <https://intranet.erc.insider/article/10442/Contract-Variation>

21.7 The provisions detailed here also apply regardless of the standard terms and conditions applied under the contract which may contain mechanisms for dealing with increases to the contract sum (for example SBCC, NEC etc.).

21.8 Where the contract has been awarded under the City Region, approval to vary the contract must be in line with any rules specified by the City Deal Partnership current at that time.

**22. MODIFICATION TO CONTRACT**

22.1 Consideration must be taken of the value, type and scope of the modification relevant to the original contract. Modifications cannot be considered if the terms and conditions of the contract do not allow for this or if the value and/or scope of the modification are significantly different from the original contract.

22.2 Any modifications to the scope, duration, terms and conditions or value, should not be agreed without the prior approval of the Chief Procurement Officer or in their absence the Chief Officer Legal and Procurement and without having necessary budget provision.

## **1523. EXEMPTIONS FROM COMPETITION**

- 23.1** Prior to the award of a contract, and provided best value is obtained, exemption from competition may be sought:-
- i. where the Director of the procuring department considers that the contract is urgently required to minimise risk of personal injury or damage to property. If the exemption is granted, a report will be submitted by the Director to the next meeting of the Cabinet or appropriate Committee detailing the risks identified and the action taken.
  - ii. where the Director of the procuring department is satisfied that special circumstances apply (such as an urgent need to fulfil an ongoing Council function otherwise incapable of performance).
  - iii. where the Director can establish that the contract relates to proprietary works, goods or services.
- 23.2** The Chief Procurement Officer will decide all exemption requests under i, ii and iii above for contracts valued within the Quick Quote thresholds.
- 23.3** The Chief Officer Legal and Procurement will decide all exemption requests under i above when the value of the contract is £50,000 and above (goods and services) or £150,000 and above (works).
- 23.4** The Chief Officer Legal and Procurement will decide all exemption requests under ii and iii above when the value of the contract is £50,000 and above but less than £100,000 (goods and services) or £150,000 and above but less than £200,000 (works).
- 23.5** The Director or delegated officer provided they are an authorised signatory shall complete the exemption form available within the Online Contracts Register <http://bhqconttest.erc.insider/login> outlining the basis on which the exemption is sought and e-mail it to the relevant approving officer, submit it to Procurement via the system.
- 23.6** Exemption requests under ii and iii above relating to contracts with a value of £100,000 or more (goods and services) and £200,000 or more (works) must be reported to the Cabinet or appropriate committee for approval prior to entering into the contract.
- 23.7** The cumulative value of previous exemptions relating to the same matter must be taken into consideration and reporting followed as outlined under clause 23. The report must outline the circumstances justifying use of this provision and a copy must be retained by the procuring department for audit purposes and a copy uploaded to the record held in the Online Contracts Register.
- 23.8** These exemptions do not apply where the contract value exceeds the EU Procurement thresholds detailed under Schedule 2.

## **1624. FRAMEWORK AGREEMENTS**

24.1 In cases where there is likely to be an ongoing demand for works, goods or services over an extended period, Directors should consider the use of a Framework Agreement to engage a variety of contractors.

24.2 The Director should seek advice from the Chief Procurement Officer to confirm the suitability of a framework arrangement and/or the availability of any pre-existing frameworks which can be used by the Council.

24.3 No Framework Agreement set up by the Council shall last longer than 4 years unless there are exceptional circumstance to justify a longer term. A written record of the exceptional circumstances must be kept with the Framework Agreement.

24.4 The way in which future contracts under a Framework are to be called off and the terms and conditions of those call-off contracts must be specified in the Framework agreement and must be honoured by the procuring department throughout the life of the Framework.

24.5 Where a pre-existing Framework does not specify the terms of a proposed call-off process, any process adopted by the procuring department must be in accordance with 24.6 below.

### 24.6

(1) The Framework must have been properly constituted by the Scottish Government; the Crown Commercial Service, or any other agency of the UK government; Scotland Excel; other Scottish Centres of Procurement Expertise; other local authorities; and other collaborative bodies where the Council is eligible to use these Frameworks and is permitted by the relevant body to do so.

(2) Where, in order to participate in an existing Framework of the type described above, the Council is required to enter into a participation agreement or other similar agreement regulating the use of the Framework by the Council, the Chief Procurement Officer shall enter into the agreement on behalf of the Council, subject to the prior agreement of the Chief Officer Legal and Procurement.

(3) Any such contracts must be entered into in accordance with the conditions applicable to the relevant Framework.

(4) Every contractor on the Framework capable of performing the contract shall be issued with an invitation to take part in the mini competition. All invitations shall be issued at the same time.

(5) The invitations shall specify the closing date and time for submission of tenders under the mini competition procedure.

(6) Any award of contract shall be made to the contractor or contractors who submitted the best tender or tenders on the basis of the award criteria specified in the Contract Documents based on the Framework documents.

(7) Where a Regulated Contract is awarded following a call-off or mini competition under a Framework, the Procurement Category Manager shall publish an award notice on the Public Contracts website.

## 25. SCHEDULE OF RATES CONTRACTS

25.1 In every works contract which is a schedule of rates contract, following discussion with the Procurement Category Manager and/or the appropriately competent project lead and prior to invitations to tender being issued, the Director of the procuring department shall fix an indicative total value for the contract.

## ~~17. CONTRACTS FOR SOCIAL AND OTHER SPECIFIC SERVICES~~

~~Standing Orders 9 and 10 do not apply to contracts for Social and other Specific Services.~~

~~The Director of the procuring department may decide on the procedure to be used to award any contract or framework for "Social and other Specific Services." In particular, the Director will decide whether the contract requires to be advertised for competition. To avoid doubt, Standing Order 5 continues to apply to all such procedures~~

~~For Contracts with a value in excess of £589,000, the Director will liaise with the Chief Procurement Officer to identify what formal notices, if any, require to be published before commencing the procedure.~~

~~The Director will provide the Chief Procurement Officer with all details required to enable the publication of any necessary notice.~~

~~The Director of the Health and Social Care Partnership (HSCP) may decide on the procedure to be used to award any contract or framework for social care services taking into account the specific nature of the services sought and the needs and requirements of the clients likely to use the services.~~

~~Any award of a contract or framework for social care services with a value in excess of £589,000 must be based on the best price quality ratio, taking into account the following criteria:-~~

- ~~-the need to ensure quality, continuity, accessibility, affordability, availability and comprehensiveness of the services;~~
- ~~-the specific needs of different categories of users, including disadvantaged and vulnerable groups;~~
- ~~-the involvement and empowerment of users;-~~
- ~~-innovation; and~~
- ~~-any other relevant consideration~~

~~The Director of the HSCP will keep a full written record of his/her position regarding the specialist nature of the services to be procured and/or the availability of appropriate providers and will retain the record with the contract.~~

~~The Director of the HSCP must submit an annual report to the Council detailing the contracts awarded in relation to the provision of specialist social care services. This report will not identify the recipients of such services but will be submitted on an anonymised basis.~~

~~In the event that the contract involves the provision of services across a range of Council functions eg Education and Social Care, the Director of the HSCP will consult with any other relevant director prior to commencing the award process.~~

## **1826. PRIOR APPROVAL FOR SPECIFIC CONTRACTS**

26.1 Prior to commencing a process to let any of the following types of contract (of whatever value), the procuring department shall liaise with and seek approval of the senior officer identified below.

- (1) any contract for the purchase of IT related goods and services, the Head of ICT and ~~Digital Enablement~~ Resilience
- (2) any contract involving work to Council land and buildings, the Head of Housing, Property and Technical Services
- (3) any contract involving the handling of records containing personal data, the Council's Chief Officer - Legal and Procurement.

## **1927. CONTRACTS FOR APPOINTMENT OF CONSULTANTS**

27.1 Where the fee for the desired consultancy work is likely to be less than £10,000 the Director of the Procuring department may decide on the procedure to be used to make the appointment, but must always take into account the need for equal treatment, best value and transparency in reaching such a decision. The procuring department shall provide to the consultant, as a minimum, a statement of requirements and terms and conditions of contract and shall also require the consultant to complete a pricing schedule. The procuring department must be satisfied that best value is being achieved prior to the commencement of the consultancy.

27.2 Where it is anticipated that a fee bid is likely to exceed £10,000, the appointment process will be conducted as per Standing Orders 9-12 (ii) and (iii).

27.3 A central log of all consultancy awards will be maintained in Share Point and shall include detail regarding the objective of the award, its rationale, the budget allocated for the provision of the services, actual spend incurred in relation to the consultancy and details of the consultant. Services must input relevant information to the log within 14 days of awarding the contract. Full details on this can be found within the Procurement Manual <https://intranet.erc.insider/article/9547/Important-Documents>

27.4 Any consultant appointed will be required to comply with these Standing Orders as though they were officers of the Council.

27.5 Any consultant appointed will be required, upon request at any time during the contract, to produce all records maintained by them in relation to the contract and on completion of the contract deliver all such records to the Director of the procuring department, if so requested.

27.6 All contracts for consultancy services must set out clear output targets for performance by the consultant under the contract.

## **28. INTELLECTUAL PROPERTY RIGHTS**

28.1 The procuring department shall, in so far as practicable, ensure that in contracts for the supply of reports, guidance, specifications, instructions, toolkits, plans, data, drawings, databases, patents, patterns, models and designs, the intellectual property rights in the material produced by the Supplier shall vest in the Council absolutely.

## 29. GRANTS TO OTHER ORGANISATIONS / SUBSIDY

- 29.1 Grants are financial contributions to a third party which help to meet the Council's strategic objectives in the wider community and are subject to the requirements to secure Best Value. In effect, a grant is a gift of financial assistance from the Council with conditions attached. The attached conditions must be either grant conditions approved by the Council or grant conditions required to be included by an external organisation providing funding for the purpose of the grant. Whereas these conditions impose limits and instructions on how the grant may be used, they do not set out the precise details of any services to be provided nor do they prescribe how the specified purpose will be achieved. Grants are different from loans in that there is no expectation that any part of the grant will be repaid provided the conditions of grant are complied with. If the conditions are breached, the Council's only remedy is to demand that the grant be repaid.
- 29.2 The following characteristics will normally help determine whether a grant is the suitable funding route: -
- (1) it should not be for critical service requirements or those the Council has a statutory responsibility to deliver, grant funding is for discretionary objectives;
  - (2) funds will normally be given subject to desired outcomes being met but the Council will not normally receive services;
  - (3) the Council is providing funding to support activities that will help it to meet its commitments to East Renfrewshire and where the organisation does not have sufficient resources to deliver those activities on a self-sustaining basis itself;
  - (4) a grant will normally be out with the scope of VAT and procurement;
  - (5) there is no financial threshold above which a grant becomes a contract but if the investment is significant this may reflect a significant need in which case greater control and/or a more defined specification may be advisable. Advice should be sought from the Chief Procurement Officer or in their absence the Chief Officer Legal and Procurement.
- 29.3 The Council is committed to the principles of collaboration and co-production. Co-production means the real and meaningful involvement of the citizens of East Renfrewshire and recipients of services in delivering better outcomes. Grant recipients shall be encouraged to communicate effectively and to work together with recipients of services and communities of interest to achieve improved outcomes.
- 29.4 Grant funding is to be outcome driven, accessible and transparent, supporting innovation and projects that meet the needs of the citizens of East Renfrewshire.
- 29.5 The distribution and allocation of grant funding should be prioritised based on an assessment of need where applicable and reviewed annually.
- 29.6 All grants paid must have specific grant agreements which are to include a service level agreement and should be suitable and proportionate to the level of funding and reflect the activities and outcomes to be delivered.
- 29.7 Grant agreements should detail as a minimum: what the grant is being given for (measurable outcomes, impacts, outputs or activities), how long the grant period relates to, the amount being paid, dates of payment and payment process, terms for

repayment of any unspent grant and the requirements to provide regular reports and allow for site visits.

29.8 For each grant the relevant Director shall appoint a grant monitoring officer to set targets, to oversee the process, manage any issues with individual recipients and ensure outcomes are achieved and managed.

29.9 Grant agreements shall require the grant recipient to comply with applicable legislative requirements, be properly constituted, have in place proper employment recruitment and selection practices, carry out disclosure checks where appropriate, comply with all equal opportunities requirements and encourage payment at the current Living Wage rate.

#### **Grant up to £100,000**

29.10 For Grants up to £100,000 the application shall be assessed and evaluated by more than one Council officer or a peer group panel. The applicant organisation should be able to demonstrate their links or proposed links to the relevant community of interest and the local business plan.

#### **Grants Applications exceeding £100,000**

29.11 For Grant applications which exceed or may exceed £100,000 in total the process to determine successful grant applicants shall be determined by the relevant Director and the successful applicants shall be reported back to any relevant Committee or board.

29.12 To encourage the future financial sustainability and diversity of funding sources, applicants should be encouraged where possible to seek and secure alternative sources of funding in addition to Council funding.

29.13 The Council will not normally provide more than 95% of an organisations turnover in grant funding.

#### **State Aid - Subsidies Rules**

29.14 Provision of a grant must not provide an unfair advantage on an organisation or distort competition. Examples include:

(1) The Council gives a sum of money to only one of a number of local organisations who provide a service to the community, without there being any competition for that funding. The other organisations could claim that there has been an unfair subsidy paid to the organisation that was given the grant because they too could have provided the service if they had been given the opportunity.

(2) For a grant to be classed as a subsidy the following criteria requires to be met:- It affects international trade. This can be trade with any World Trade Organisation member or, more specifically, between the UK and a country with whom it has a Free Trade Agreement. For example, if the subsidy is going towards a good or a service which is traded between the UK and the EU this could affect trade between the EU and the UK. (Please note that you are not being asked whether the subsidy could harm trade but merely whether there could be some sort of effect.) Subsidies to truly local companies or a small tourist attraction are unlikely to be caught as this is unlikely to affect international trade.

(3) A breach of the subsidy rules could have serious consequences for the Council. Therefore, any concerns about whether a grant could be considered a subsidy must be referred to the Chief Officer Legal and Procurement. National guidance can be referred to at <https://www.gov.scot/publications/subsidy-control-guidance/>

(4) It is the responsibility of the relevant Director to consider whether there could be any Subsidy involved in a contract.

### **3020. PRE- CONTRACT CONFIRMATIONS**

Before any contract is awarded, ~~the Council~~ the procuring department shall satisfy itself that a preferred bidder:-

- (1) is complying with the responsibilities placed on them by the Equality Act 2010 relating to discrimination in employment.
- (2) if the contract is valued in excess of £50,000, is of satisfactory financial standing as confirmed by the Chief Procurement Officer checking with a reputable credit reference agency.

Where it has been established at the contract strategy stage that the contract is deemed to be of high value and / or high risk, supplementary financial checks will be carried out to assess turnover and review solvency and profitability. Only where a tenderer passes those checks and receives a satisfactory credit rating as advised by the Procurement Category Manager shall a contract be awarded.

- (3) is operating health and safety policies which conform to current legislation including, where appropriate, the Construction (Design and Management) Regulations 2015 or any future amendment or replacement of those regulations.

### **3124. INSURANCE**

31.1 The Director of the procuring department must identify the level of liability insurance relevant to any prospective contract based on the risks to the Council inherent in the contract. This should be stated in the tender documentation. Before any contract is awarded, contractors must provide details of all insurances held by them relevant to the contract, including, but not restricted to, Public Liability, Employers' Liability, Professional Indemnity, Product Liability and Contract Works. No contract shall be awarded to a contractor who does not exhibit the relevant level of insurance cover.

31.2 A contractor's insurance cover should be checked annually by the contract manager during the term of the contract. Evidence of checking should be saved into the Online Contracts Register.

**32122. SPECIFICATION STANDARDS**

32.1 Any tender submitted in response to an invitation to tender shall require to comply with any relevant and recognised British, European or International standard current at the date of tender return and the goods, materials or services to be used or supplied and all relevant workmanship shall meet that standard as a minimum requirement.

32.2 A written specification shall be prepared by the procuring department, which must contain sufficient detail to enable the supplier to determine what is expected in terms of performance of the contract and to enable the Council to monitor the quality of that performance.

32.3 As a minimum the specification will incorporate:

- (1) a clear description of what the supplier will be expected to provide under the contract;
- (2) information about how the Council will pay for what is to be provided under the contract;
- (3) details of the level of service to be provided under the contract, including, but not restricted to, timescales for delivery or performance and any performance measures set by the Council;
- (4) the evaluation criteria to be used for the award of the contract;
- (5) the terms and conditions applicable to the contract;

32.4 Any contract shall be awarded to the supplier/s who has submitted the Most Economically Advantageous Tender (MEAT), taking into account the price offered and the supplier's response to any quality or other criteria set by the Council.

**3323. CONTRACT PROVISIONS**

33.1 Every Contract issued by the Council will include a clause :

- (1) prohibiting the contractor from transferring or assigning to a 3rd party any part of the contract without the prior written consent of the Chief Procurement Officer or Director of the procuring department;
- (2) identifying the extent to which the contract may be sub-contracted, if at all;
- (3) entitling the Council to cancel the contract and to recover from the contractor any loss resulting from the cancellation, if the contractor or the contractor's representative (whether with or without knowledge of the contractor) has colluded in tendering for that contract or any other contract with the Council or has employed any corrupt or illegal practices in either the procurement or the execution of the contract or any other contracts with the Council.
- (4) requiring the contractor to maintain relevant levels of insurance throughout the terms of the contract.

33.2 Use of standard forms of contract such as SBCC or NEC, as appropriately completed by Technical Services shall be deemed to comply with the above criteria.

**3424. LIQUIDATE AND ASCERTAINED DAMAGES**

34.1 If the contract must be performed by a particular date or with reference to a series of dates, the ~~Director~~ appropriately competent project team lead of the procuring department may, if it is deemed appropriate to the contract will identify a genuine pre-estimate of any loss that may arise from its non-performance in that timeframe so that a clause may be inserted into the contract allowing recovery of such sums should the contractor default.

34.2 Procuring departments are required to co-operate with the corporate procurement department in these exercises and shall provide any reasonably required relevant information.

34.3 Use of standard forms of contract such as SBCC or NEC, as appropriately completed by Technical Services shall be deemed to comply with the above criteria.

**35. PERFORMANCE BONDS AND PARENT COMPANY GUARANTEES**

35.1 Where considered necessary by the Director or the appropriately competent project lead of the relevant service the preferred supplier being recommended for contract award shall take out a bond, obtain and deliver a formal parent company guarantee or provide other sufficient security for the due performance of the contract.

**3625. RESERVED CONTRACT**

36.1 In respect of a Regulated Procurement, the procuring department may reserve the right to participate in the procurement exercise to Supported Businesses only or provide for a contract to be performed in a Supported Employment Programme. Any such decision must be recorded in the Contract Strategy Document before the procurement begins.

**37. PAYMENT IN ADVANCE**

37.1 In any contract for the supply of goods and materials where the purchase price, or any instalment of it, is to be paid in advance by the Council to any contractor prior to completion of the contract or the relevant stage or section of the contract, the following shall apply:-

- (1) The Director of the relevant service must be satisfied that payment in advance is the only available option if the contract is to proceed.
- (2) If a proposal requires payment in advance for goods or materials which are to be retained in the possession of the contractor (e.g. until further work has been completed) then a document either vesting ownership in the Council, or otherwise protecting the Council's interest, prior to the payment of the first instalment must be obtained by the Director of the relevant service in consultation with the Chief Officer Legal and Procurement.
- (3) The Director of the relevant service shall ensure that any such goods or materials are insured while retained on the Contractor's premises.
- (4) The Director of the relevant service shall obtain the prior written approval of the Chief Procurement Officer and the Head of Accountancy Services when

entering into any agreement to make payment in advance other than as permitted under this Standing Order.

- (5) Use of standard forms of contract such as SBCC or NEC, as appropriately completed by Technical Services shall be deemed to comply with the above criteria.

### **38. CONTRACT TERMINATION**

38.1 The relevant Director may terminate or suspend a contract or Framework Agreement in accordance with the express or implied terms of the contract and may also take such further action with regard to any contract or Framework Agreement as the Council is legally entitled to take, subject to consultation with the Chief Procurement Officer.

38.2 Any termination shall be subject to the relevant Director seeking appropriate advice from the Chief Officer Legal and Procurement and them being satisfied that it is reasonable and in the interests of the Council to exercise that power.

### **39. SCOTS LAW**

39.1 Except where otherwise agreed between the Director of the relevant service and the Chief Officer Legal and Procurement, every contract entered into by the Council shall be in writing and shall be subject to Scots Law and the exclusive jurisdiction of the Scottish Courts.

## SCHEDULE 1

### STANDING ORDERS RELATING TO SOCIAL CARE CONTRACTS

#### 40. CONTRACTS FOR SOCIAL AND OTHER SPECIFIC SERVICES

40.1 Health, social care and community services shall be procured in accordance with the Act, the 2015 Regulations, the 2016 Regulations, the Procurement of Care and Support Services 2016 (Best Practice), any statutory guidance issued under the Act and the principles of Co-production.

#### 41. PROCUREMENT THRESHOLDS FOR SOCIAL CARE

##### 41.1 Contracts valued at £663,540 (incl. VAT) and above

In accordance with the Regulations, health, social and related services are classed as Schedule 3 services. Commissioning Staff will therefore be required to adhere to certain requirements prescribed in the Regulations and comply with the Procurement Journey Guidance where the value of the contract is equal to or above the value threshold for Schedule 3 (light touch regime) services contracts.

41.2 Any award of a contract or Framework for social care services with a value in excess of £663,540 (incl. VAT) must be based on the best price quality ratio, taking into account the following criteria:-

- (1) the need to ensure quality, continuity, accessibility, affordability, availability and comprehensiveness of the services;
- (2) the specific needs of different categories of users, including disadvantaged and vulnerable groups;
- (3) the involvement and empowerment of users; .
- (4) innovation; and
- (5) any other relevant consideration

##### 41.3 Contracts valued at £50,000 (excl. VAT) or above, but below £663,540 (incl. VAT)

Although it is not mandatory to advertise any Regulated Social Care Contract, a decision must be made on a case-by-case basis whether to seek offers in relation to the proposed contract or directly award the contract to a particular Provider. In each case regard must be made to the Procurement Journey Guidance and the Statutory Guidance made under the 2014 Act. The Best Practice Guidance must also be taken into account when commissioning staff wish to make a direct award of the contract rather than seek offers.

41.4 The Director of the HSCP will keep a full written record of his/her position regarding the specialist nature of the services to be procured and/or the availability of appropriate Providers and will retain the record with the contract.

## 42. NEGOTIATED PROCEDURE WITHOUT PRIOR PUBLICATION

42.1 The Director of the HSCP or Chief Social Worker, with the agreement of the Chief Procurement Officer and Chief Officer Legal and Procurement, will decide on a case by case basis whether there are circumstances justifying a departure from competitive process which would allow the use of the negotiated procedure without prior publication as set below.

- (1) the needs of the individual(s) concerned would be best met by a particular provider;
- (2) due to the type and nature of the service and taking account of environmental and regulatory requirements there is only one provider capable of delivering the service to meet the needs of the individual(s) concerned;
- (3) the nature of the service is such that it should not/cannot be adequately specified in advance because of the nature of the social care needs of the individual(s) concerned;
- (4) there are special circumstances such as ownership of land or property, geographic locations or particular skills or experience of providers of social care which limit the choice to one provider;
- (5) the service user wishes in terms of the National Strategy on Self Directed Support to arrange services with a particular provider but wishes the Council to arrange this on his behalf;
- (6) it is in the best interests of the service user to use a particular provider; or there are reasons of extreme urgency brought about by unforeseen events which are not attributable to the Council.

## 43. ANNUAL REPORT

43.1 The Director of the HSCP must submit an annual report to the Council detailing the contracts awarded in relation to the provision of specialist social care services. This report will not identify the recipients of such services but will be submitted on an anonymised basis.

43.2 In the event that the contract involves the provision of services across a range of Council functions e.g. Education and Social Care, the Director of the HSCP will consult with any other relevant Director prior to commencing the award process.

## 44. PROVIDERS

44.1 Whenever the Council intends to permit a Provider to deliver Social Care on its behalf, the Director of the HSCP shall ensure that the Provider is a suitable person / organisation/ company to provide such services by ensuring that they:

- (1) are, where applicable, the holder of a current and valid Certificate of Registration with Social Care and Social Work Improvement Scotland (SCSWIS) commonly known as the Care Inspectorate as Registration Authority in terms of the Public Services Reform (Scotland) Act 2010;

- (2) have produced satisfactory evidence to the Chief Officer regarding their economic and financial standing; insurance arrangements; legal capacity and health, safety and environmental procedures;
- (3) have the professional or technical capability to provide the services required by the Council; and
- (4) have confirmed in writing that they will enter into a contract with the Council (or an approved sub-contracting arrangement), should the Council require the Provider to deliver Social Care services.

#### **45. ADVERTISING**

45.1 Where a contract is for Health or Social Care Services and the estimated value of the contract is in excess of the threshold for Social and Other Specific Services, £663,540 (incl. VAT), the Director will liaise with the Chief Procurement Officer to identify what formal notices, if any, require to be published before commencing the procedure. The Director will provide the Chief Procurement Officer with all details required to enable the publication of any necessary notice.

#### **46. AWARD PROCEDURE**

46.1 Where a contract is for Health or Social Care Services and the estimated value of the contract is less than the threshold for Social and Other Specific Services, the Director of East Renfrewshire Health and Social Care Partnership may elect to follow the procedures set out in the Procurement Reform Rules. In such circumstances, the Director in conjunction with the Chief Procurement Officer may decide, that offers shall not be sought

46.2 Any Social Care Contract for the delivery of care packages to individuals assessed by the Chief Officer as having complex sensitive care requirements shall be excluded from these Standing Orders. The Chief Officer shall prepare and retain for audit purposes a written report recording, on an anonymised basis, the individual care requirements in each case, the reason(s) why the particular Provider was selected, and why the cost represented best value to the Council in the circumstances.

SCHEDULE 2Thresholds under the Procurement Regulations applicable to the Council from 1 January 2022 (all figures are inclusive of VAT)Public Contracts

|   |                   |
|---|-------------------|
| <u>SUPPLIES</u>                           | <u>£213,477</u>   |
| <u>SERVICES</u>                           | <u>£213,477</u>   |
| <u>WORKS</u>                              | <u>£5,336,937</u> |
| <u>SOCIAL AND OTHER SPECIFIC SERVICES</u> | <u>£663,540</u>   |

|                             |                   |
|-----------------------------|-------------------|
| <u>Concession Contracts</u> | <u>£5,336,937</u> |
|-----------------------------|-------------------|

Utilities Contracts

|                 |                   |
|-----------------|-------------------|
| <u>SUPPLIES</u> | <u>£426,955</u>   |
| <u>SERVICES</u> | <u>£426,955</u>   |
| <u>WORKS</u>    | <u>£5,336,937</u> |

Thresholds will next be reviewed– 1 January 2024

SCHEDULE 3

PROCUREMENT PROCESS MAPS

East Renfrewshire Council Procurement Process for Goods and Services



Goods and Services  
Process Map - FINAL.docx

East Renfrewshire Council Procurement Process for Works



Works Process Map -  
FINAL.docx

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EAST RENFREWSHIRE COUNCIL13 December 2023Report by Head of Accountancy (Chief Financial Officer)REVENUE ESTIMATES 2024/25 - ADVANCE SAVINGS PROPOSALS**PURPOSE OF REPORT**

1. To submit for approval further advance savings proposals for 2024/25 in accordance with the Council decision of 1 March 2023, and to provide an update on progress on the 2024/25 savings approved in advance by Council on 1 March 2023.

**RECOMMENDATIONS**

2. It is recommended that the Council: -
- (i) Notes the assessment of the further £1.383m of 2024/25 savings proposals where Council had requested a subsequent report;
  - (ii) Approves savings of £0.842m for implementation in 2024/25 to permit preparatory work to be undertaken, and a further £0.360m in 2025/26, giving a full year total saving of £1.202m (Annex A); and,
  - (iii) Notes that only £1.267m of the £2.026m savings approved by Council on 1 March 2023 for implementation in 2024/25 are now considered to be deliverable next year (Annex B), however at least a further £0.128m will be delivered in 2025/26.

**BACKGROUND**

3. On 1 March 2023, Council requested work to be undertaken on a further £1.383m of proposed 2024/25 savings, and that a report be brought back to Council in October 2023 prior to implementation.

4. At the same meeting, Council approved £2.026m of savings for implementation in 2024/25 to permit preparatory work to be undertaken and savings delivered as early as possible in the new financial year.

5. All other decisions in relation to the 2024/25 budget were to be taken at the Council meeting on 28 February 2024.

6. Financial challenges, uncertainty, and the need for savings persist, with the position on the 2024/25 Council Tax freeze compensation and the Council's grant settlement not yet known. The estimated budget shortfall for 2024/25 before savings, increased Council Tax, or the use of general reserves are applied is currently £9.558m. The estimated shortfall for 2025/26 is £11.988m.

## REPORT

7. Due to the complexity of the financial landscape, it was not possible for officers to complete an assessment of the overall position in time to submit the proposed savings report to Council in October 2023. Now that details of the temporary reduction in employer pension contributions have been confirmed however, it is clear that significant recurring savings are still required.

8. The Corporate Management Team has now completed its review of the six proposed savings as described below. The expected impact of these savings remains as set out in Annex B of the Council report of 1 March 2023 [https://www.eastrenfrewshire.gov.uk/media/8802/Council-Item-14-1-March-2023/pdf/Council\\_Item\\_14\\_-\\_1\\_March\\_2023.pdf?m=638128260215500000](https://www.eastrenfrewshire.gov.uk/media/8802/Council-Item-14-1-March-2023/pdf/Council_Item_14_-_1_March_2023.pdf?m=638128260215500000)

- **Reduction in Janitorial Service (ELC & Schools) - £213k:** This full review of janitorial services across the education estate should deliver a budget reduction of 10%, equivalent to a reduction of 5.8 FTE posts. This saving will result in a direct impact on the janitorial support available to Early Learning & Childcare establishments (ELCs) and schools and may result in some times of the day when a school does not have a janitor on site and reduced availability of letting opportunities. Any redesign of the service will aim to deploy the remaining staff so that the impact on establishments is minimised. Whilst the saving is considered possible, it will be dependent upon staff reductions achieved through voluntary means. It is recommended that the changes are implemented with effect from the start of the new school year, rather than from 1 April 2024, as this will be more manageable for both staff and pupils. This would provide a saving of £131k in 2024/25, with the full year saving of £213k being achieved in 2025/26.
- **Reduction in Cleaning Service (ELC & Schools) - £542k:** A review of the service is likely to reduce staffing levels by around 17% (approx. 21 FTE), with cleaning being reduced and priority given to communal areas, bathrooms and bins for daily cleaning. Staff reductions may be achieved through voluntary means as the service experiences a high level of vacancies/turnover. Currently the service is running with vacancies of around 7 FTE spread across the establishments on a temporary basis. As above, it is recommended that the change is implemented from August 2024, rather than April 2024. This would provide a saving of £334k in 2024/25, with the full year saving of £542k achieved in 2025/26.
- **Reduction in Psychological Services - £188k:** This saving was reviewed, at this stage it was not considered appropriate. However, £37k can be saved when a temporary contract comes to an end, resulting in a 0.4 FTE reduction (around 4% of the total team which is currently 10.3 FTE).
- **Reduction in School Crossing Patrollers - £170k:** This service is forecast to underspend by around £190k this year due to numerous vacancies that are proving difficult to fill. Roads and Education officers are liaising to assess all 42 sites and consider appropriate replacement with capital works where appropriate including puffin crossings and traffic controlled junction installations over a two year period. The proposed 2024/25 saving can be achieved subject to these capital works being approved within the 2024/25 capital programme. Further savings of £70k would follow in 2025/26.

- **Redesign of Mixed Tenure Scheme - £100k:** Consideration was given to a redesign to attract external funding to this service but this does not seem feasible without impacting significantly on the nature of the service provided to tenants. Accordingly, this saving is no longer recommended at this time.
- **Close Connor Rd Young Persons' Supported Accommodation - £170k:** a redesign of housing and support services for young people is already underway with Housing and HSCP officers. This saving is considered deliverable subject to conclusion of the service redesign and staff reductions through voluntary means.

9. In view of the above assessments, revised further savings proposals for 2024/25 and 2025/26 are set out in Annex A.

10. As previously stated in the 1 March 2023 report, the Council has undertaken equality impact assessments on each savings measure and consultation/engagement is carried out with relevant groups where appropriate prior to implementation. This aims to minimise any impact in equalities terms.

11. Officers have also been working to progress the £2.026m of savings already approved by Council for implementation in 2024/25, however a number of issues have arisen, restricting the savings that can be delivered in 2024/25 to £1.267m, with at least a further £0.128m in 2025/26.

12. Full details are contained in Annex B, but the main factors are:-

- Further time is required for some reviews to allow new managers to assess the situation or for planning of new policies to be completed.
- Voluntary trawls of staff in some areas have confirmed that the proposed savings cannot be delivered by voluntary means.
- As described in paragraph 8 above, it would be preferable to introduce school based savings from the start of the academic year, rather than the financial year.
- Budgeted 2023/24 income generation measures have raised less than anticipated and further such measures for 2024/25 are no longer feasible.

13. Once the 2024/25 settlement details are announced in the week beginning 18 December 2023, the above information will be taken into account in finalising the Council's budget plans for the coming year.

## RECOMMENDATIONS

14. It is recommended that the Council: -

- (i) Notes the assessment of the further £1.383m of 2024/25 savings proposals where Council had requested a subsequent report;
- (ii) Approves savings of £0.842m for implementation in 2024/25 to permit preparatory work to be undertaken, and a further £0.360m in 2025/26, giving a full year total saving of £1.202m (Annex A); and,

- (iii) Notes that only £1.267m of the £2.026m savings approved by Council on 1 March 2023 for implementation in 2024/25 are now considered to be deliverable next year (Annex B), however at least a further £0.128m will be delivered in 2025/26.

Further information is available from M McCrossan, Head of Accountancy, tel 0141 577 3035

**KEY WORDS** Revenue Estimates, Savings, advance, 2024/25

FURTHER SAVINGS RECOMMENDATIONS 2024/25 (DEC 2023)**ANNEX A**

| Description of Saving                       | 2024/25        | 2024/25          | 2025/26                |
|---|----------------|------------------|------------------------|
|   | 01-Mar-23      | Updated Position | Cumulative FY Position |
|   | £'000          | £'000s           | £'000s                 |
| <b>EDUCATION</b>                            |                |                  |                        |
| Reduction in Janitorial                     | 213.0          | 131.0            | 213.0                  |
| Reduction in Cleaning (ELC & Schools)       | 542.0          | 334.0            | 542.0                  |
| Reduction in Psychological Services         | 188.0          | 37.0             | 37.0                   |
|   | <b>943.0</b>   | <b>502.0</b>     | <b>792.0</b>           |
| <b>ENVIRONMENT</b>                          |                |                  |                        |
| Reduction in School Crossing Patrol Service | 170.0          | 170.0            | 240.0                  |
| Close Connor Road Young Persons Accom       | 170.0          | 170.0            | 170.0                  |
|   | <b>340.0</b>   | <b>340.0</b>     | <b>410.0</b>           |
| <b>TOTAL MID-YEAR SAVINGS OPTIONS</b>       | <b>1,283.0</b> | <b>842.0</b>     | <b>1,202.0</b>         |

Comment

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**SAVINGS PROPOSALS 2024/25 (PRE-AGREED ON 1 MARCH 2023)**

**ANNEX B**

**BUSINESS OPERATIONS & PARTNERSHIPS**

| Description of Saving  | 2024/25        | Icon | 2024/25          | Comment   |
|--|----------------|------|------------------|---|
|  | Pre-Agreed     |      | Updated Position |   |
|  | £'000          |      | £'000s           |   |
| <b>BUSINESS OPS &amp; PSHIPS</b>                                 |                |      |                  |   |
| ICT: Education Technicians reductions                            | 84.5           | ●    | 0.0              | Deferred until at least 2025/26 to allow new Head of ICT & Resilience to review structure   |
| ICT: Staff reductions  | 44.7           | ●    | 0.0              | Deferred until at least 2025/26 to allow new Head of ICT & Resilience to review structure   |
| HR/Payroll: Staff reductions                                     | 55.4           | ●    | 55.4             | Need to access alternative funding from the OD reserve to deliver this whilst progressing employee wellbeing/development.   |
| Comms: Staff reductions & print room budget reductions           | 15.8           | ●    | 0.0              | Not possible without compulsory redundancies.   |
| Strategic Services: Staff reductions                             | 54.3           | ●    | 0.0              | Deferred until 2026/27 to allow review structure and completion of Vision for the Future & Community Planning work.   |
| Customer First: Reductions in service                            | 132.7          | ●    | 132.7            |   |
| Revenues & Benefits: Restructure                                 | 109.0          | ●    | 109.0            | Dependent on outcome of ongoing Voluntary Redundancy/Early Retirement exercise  |
| Business Support & Accounts Receivable: Restructure              | 62.0           | ●    | 62.0             |   |
| CLD: Staff & service reductions                                  | 40.6           | ●    | 40.6             |   |
| Citizens' Advice Bureau: Reduce support                          | 10.0           | ●    | 10.0             |   |
| Water Direct: Introduce deductions                               | 51.0           | ●    | 51.0             |   |
|  | <b>660.0</b>   |      | <b>460.7</b>     |   |
| <b>EDUCATION</b>   |                |      |                  |   |
| Primary Teacher: Remove Equity Mgmt Time Allocation              | 54.0           | ●    | 54.0             |   |
| Reduction other staff groups (excluding teachers) in ELC/schools | 276.0          | ●    | 170.0            | Delayed until August 2024. Will deliver £244k full year following further department wide reviews of business/budget support and school based technicians (reliant on VR/redeployment);balance of original saving not achievable without compulsory redundancies. |
| Reduction in centrally based support & budget teams              | 140.0          | ●    | 86.0             | Delayed until August 2024. Will still deliver £140k full year. See also comment above re school based staff.  |
| Reduction in Centrally Based Support Posts                       | 109.0          | ●    | 109.0            |   |
| Reduction in Catering Services (ELC & Schools)                   | 510.0          | ●    | 510.0            | Already significant underspend/vacancies in 2023/24.  |
| Reduction in centrally managed budgets which support schools     | 15.0           | ●    | 15.0             |   |
| ELC - Delay in eligibility for statutory entitlement             | 40.0           | ●    | 40.0             |   |
| Removal of funding for junior conservatoire                      | 3.0            | ●    | 3.0              |   |
| Income generation - School meals price increase                  | 25.0           | ●    | 25.0             |   |
| Remove balance of R&R funding re ICT Tech Refresh                | -400.0         | ●    | -400.0           |   |
|  | <b>772.0</b>   |      | <b>612.0</b>     |   |
| <b>ENVIRONMENT</b>   |                |      |                  |   |
| Increased Income/Staff reductions Planning/Building Standards    | 100.0          | ●    | 100.0            | Service review and reduction in staffing by 2 posts planned and subject to agreement on VR  |
| Increase Rents - Temporary Accomodation                          | 40.0           | ●    | 40.0             |   |
| Housing: Reduce CAB funding                                      | 42.0           | ●    | 42.0             |   |
| Additional Bins for Garden Waste Scheme                          | 120.0          | ●    | 0.0              | Also 23/4 shortfall of £220   |
| Surcharge on Add Bins Delivery                                   | -20.0          | ●    | 0.0              | Also 23/4 shortfall of £60  |
| Prevention Services  | 12.0           | ●    | 12.0             |   |
| Closure / Rationalisation of Office Space                        | 100.0          | ●    | 0.0              | Savings associated with Spiersbridge will not come into effect until February 2026.   |
| Greenhags solar Farm income                                      | 200.0          | ●    | 0.0              | Deal deferred until further investigations on site and options can be progressed.   |
|  | <b>594.0</b>   |      | <b>194.0</b>     |   |
| <b>TOTAL SAVINGS</b>   | <b>2,026.0</b> |      | <b>1,266.7</b>   |   |
| <b>TOTAL PRE-AGREED SAVINGS DELIVERABLE IN 24/5</b>              |                |      | <b>1,266.7</b>   |   |

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EAST RENFREWSHIRE COUNCIL13 December 2023Report by Director of Business Operations & PartnershipsVISION FOR THE FUTURE**PURPOSE OF REPORT**

1. This paper gives an update on progress to develop the Council's long term strategic, "Vision for the Future" and seeks agreement on the next steps.

**RECOMMENDATIONS**

2. Council is asked to:
  - (a) note that Vision for the Future is being developed around three pillars: "Flourishing Families & Individuals"; "Vibrant Communities & Places"; and "Living Well", and that work is well underway to map strategies, outcomes and analyse data for key opportunities and issues around the three pillars;
  - (b) note the continued development of the scope of each pillar in order to draft ambitions;
  - (c) agree in principle that work is undertaken to develop proposals for an expert panel to provide critical friend and sounding board support around the three pillars;
  - (d) agree that work is also undertaken to develop proposals for a community conference around Vision for the Future; and
  - (e) agree that a further report will be brought to Council once the work set out in (b), (c) and (d) has been completed.

**BACKGROUND**Purpose of Vision for the Future

3. Vision for the Future (VFTF) sits at the top of our strategic planning framework. The Council and Community Planning Partnership have a range of statutory plans and strategies, Vision for the Future provides a unifying framework that brings our plans and strategies together and prevents them pulling in different directions and working against each other. It helps us to make sure that we are making the greatest positive difference to our communities that we can over the longer term, while also setting out what's important to East Renfrewshire, by laying the foundational understanding of our challenges, assets (in the broadest sense) and strategic opportunities. An ambitious Vision for the Future gives us a "north star", a framework for thinking about capital investment, land use, transport, communities, and a lens to think about year-to-year revenue spend, particularly in challenging circumstances.

### Current Strategic Planning Framework

4. The Council's first "Vision for the Future" document was published in September 2015, providing a 10-year forward direction for the organisation. The document has undergone changes over time to take account of:
  - changing socio-economic demographics and anticipated future trends for the local area through our "Planning for the Future" analysis;
  - a broad assessment of the political, economic, social, technological, legal, environmental (PESTLE) trends that impact East Renfrewshire, as well as a self-evaluation of the Council's strengths, weaknesses, opportunities, and threats (SWOT);
  - Residents' priorities, as identified through the Citizens Panel and other engagement activities; and
  - future financial planning scenarios, acknowledging that finance has been and remains one of the most significant areas of uncertainty.
  
5. Council approved an updated 'Vision for the Future' in February 2020. The aim was to develop this vision over time, in conversation with a range of stakeholders and in tandem with important processes such as Local Development Planning and wider City Region work, with a particular initial focus on the themes of the environment/climate change and building communities. The onset of the pandemic significantly disrupted this work in recent years and a status update was given to Council in March 2022.
  
6. In June 2023 Council agreed, following cross-party, organisation, and partner engagement, that the three themes "Children & Young People"; "Communities & Place"; and "Promoting Wellbeing & Support the Vulnerable" should further developed to form the core of Vision for the Future. This has resulted in the three pillars outlined above. Council also agreed the outline timeline below:

| Autumn 2023  | End of 2023  | Spring 2024   | Autumn 2024   |
|--|--|---|---|
| Onboard new Chief Executive                                    | Agree Outcomes - <i>Council &amp; CPP approval required.</i>             | Year One Plan<br>Updated Driver Diagrams (How we deliver objectives)  | 10/15-year ambition – building a more detailed picture of Vision for the Future and what ER will look like in 10-15 years through a range of media. |
| Conclude Initial Engagement                                    | Explore Expert Panel & Place/Engagement Tools                            | Key Year One Projects   | <i>3-year plan + measures Council &amp; CPP approval</i>  |
| Agree Objectives – <i>Council &amp; CPP approval required.</i> | Assess what ERC need to change about how it works to deliver objectives. | Key Success Measures<br>Community Conference  | Update Outcome Delivery Plan, inc. key transformation + org capabilities plan + measures – <i>Council approval</i>                                  |
| Start Outcome Review   |  | Agree CPP Structure<br><i>Council &amp; CPP approval required for the plan, diagrams, measures &amp; structure.</i> | Community-Led Locality Plans (Statutory for LOIP)<br><br>Implement new CPP Arrangements   |

### **Focus of current work**

7. In addition to activities set out in the timeline above, work is underway to analyse socio-economic data relating to each pillar, map the outcomes contained in existing plans and strategies, and review relevant engagement and research. Work is also being undertaken to link Vision for the Future to key Council, HSCP and partnership plans and strategies including Local Development Plan 3, the Local Transport Strategy, the Council's "Get to Zero" Strategy, the HSCP Strategic Plan, Education ' Local Improvement Plan, which will help inform Vision for the Future.
8. This work is looking at what data and strategy mapping is telling us about what makes East Renfrewshire distinctive, our people, places, and economy, and help us assess whether we are missing anything or need to shift our strategic focus. This will provide a platform to consider how we can work to close the outcomes gaps, undertake prevention work, reduce vulnerability, and enhance resilience, and further embed equality, equity and rights into our work and communities.
9. Our approach to the engagement and workshops is to help build ownership of Vision for the Future, over time, among services and partners, and ultimately communities.
10. We are now approaching the stage where we will need to sense check our focus and levels of ambition. Based on this we want to secure agreement to explore two potential routes to further strengthening Vision for the Future: an expert panel and community conference.

### Expert Panel

11. The idea of an Expert Panel is to bring together a group of subject experts from related fields around the three pillars. This group would act as a critical friend and sounding board around Vision for the Future's levels of ambition, our approach to delivery, and progress. These experts would come from a range of backgrounds and sectors, given our demographics and population, some may be from East Renfrewshire. This approach has been used in other areas, for example North Ayrshire Council has a Community Wealth Building expert panel. We are seeking agreement today to explore this idea further, learn from and, if appropriate, will develop proposals for how this could work for Vision for the Future.

### Community Conference

12. We are also seeking agreement today to begin exploring the proposals for a community conference around Vision for the Future in 2024. East Renfrewshire has not held a community conference event for several years prior to the pandemic. In this instance the event would not primarily be about Council services, but about the three pillars – engaging local people and communities in discussion about the issues around the three pillars, the wider financial environment and how local people and communities can shape Vision for the Future and contribute to it being realised.
13. Consideration will need to be given to the scale and timing of such an event. While utilising schools may be an option, East Renfrewshire doesn't have easy access to large conferencing facilities, as a result we may have to explore smaller events. We will also have to be mindful of the timing and logistics of a UK General Election. Based on these factors, work will be undertaken to explore the options and potential scope of a community event or events.

## NEXT STEPS & CONSIDERATIONS

14. As set out in June, despite the huge financial and societal challenges facing public services, working together with our statutory and community partners, we can attract, utilise, and deploy significant resources, albeit over the long term. This requires:
- a) a long-term horizon – at least a decade;
  - b) a clear vision and level of ambition that enjoys cross-party, community and partner support that is stable and consistent; and
  - c) a flexible delivery model which can adjust to changing circumstances while remaining true to the vision and ambition set out in the plan.
15. In developing East Renfrewshire’s Vision for the Future, we need to be mindful of the need for:
- unequivocal cross-party, partnership and community support for the ambitions within Vision for the Future;
  - ambitious and meaningful objectives which are specific to East Renfrewshire and can be easily understood by key stakeholders and local residents;
  - realistic expectations – recognising that the issues that we are seeking to address are often subject to local, regional, national, and global (macro and micro) factors that we have limited influence over and which can fundamentally constrain our ability to deliver everything that we would like to;
  - genuine partnership “muscle”, the objectives should be broad enough to require partnership working to achieve (i.e., not just be Council service delivery); and
  - clarity of what success would look like.
16. ‘Vision for the Future’ is intended to be a living document which will be regularly updated. It is a direction of travel rather than a detailed strategy. The Council doesn’t claim to have all the answers and this report shows that we are now on a journey to work with others to develop ideas and explore how we can best work together to improve the lives of people across East Renfrewshire over the next 10-15 years.

## RECOMMENDATIONS

17. Council is asked to:
- a) note that Vision for the Future is being developed around three pillars: “Flourishing Families & Individuals”; “Vibrant Communities & Places”; and “Living Well”, and that work is well underway to map strategies, outcomes and analyse data for key opportunities and issues around the three pillars;
  - b) note the continued development of the scope of each pillar in order to draft ambitions;
  - c) agree in principle that work is undertaken to develop proposals for an expert panel to provide critical friend and sounding board support around the three pillars;
  - d) agree that work is also undertaken to develop proposals for a community conference around Vision for the Future; and

- e) agree that a further report will be brought to Council once the work set out in (b), (c) and (d) has been completed.

**REPORT AUTHOR**

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**BACKGROUND PAPERS**

- Strategic Planning, Council 3 March 2022
- Vision for the Future, Council 27 February 2020
- Vision for the Future, Council, 28 June 2023

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EAST RENFREWSHIRE COUNCIL13 December 2023Report by Director of EnvironmentEASTWOOD LEISURE CENTRE**PURPOSE OF THIS REPORT**

1. The purpose of this report is to update Council on the progress made in relation to the new Eastwood Leisure Centre and seek a decision regarding how the project should progress.

**RECOMMENDATIONS**

2. The Council is recommended to:
- a) Determine whether:
    - i. to progress option 2A, at an estimated cost of £56,981,962, that excludes a library from the proposed design, or
    - ii. to progress option 2B, at an estimated cost of £59,258,960, that includes a library within the proposed Leisure Centre, with the benefits outlined in the report;
  - b) Note the contingency provision of up to £6.7m is included within the estimated costs and that a further assessment will be made once full construction costs are known at January 2025;
  - c) Note the provision of £55m within the capital programme and a further £700k of Development Contributions is estimated to be available to support the project;
  - d) Note that a cost cutting exercise will be undertaken to reduce estimated costs to within the available budget; and
  - e) Approve expenditure not exceeding £1,920,000 for advance works, to enable de-risking of the main contract. This cost is included within the total development costs for both options above.

**BACKGROUND AND REPORT**

3. The Council meeting of December 2022 considered a range of options for the provision of leisure facilities in Eastwood. [https://www.eastrenfrewshire.gov.uk/media/8564/Council-item-14-14-December-2022/pdf/Council\\_item\\_14\\_-\\_14\\_December\\_2022.pdf?m=638065220391070000](https://www.eastrenfrewshire.gov.uk/media/8564/Council-item-14-14-December-2022/pdf/Council_item_14_-_14_December_2022.pdf?m=638065220391070000)

4. The meeting identified its preferred option as being option 2 - *Build a New Leisure Centre with Theatre - with less pool and games hall provision: The design would be similar to Option 1 but with a 25m pool, 10m learner pool, 4 court games hall and reduced specification. This would have a capacity of 650,000 customers per year and a capital cost of circa £52M.* The accommodation schedule included the provision of a library within the Leisure Centre. This option would be 7560m<sup>2</sup> as opposed to the original option 1 which was 10,145m<sup>2</sup>.
5. The Council decision of December 2022 elected to defer option 2 for a period of two years. Council were advised that a 2 year delay would add 13.8% to project costs (circa £7m to total of circa £59M). However, it was decided that the project would remain within the capital plan at £55m with a note that when the plan is given final approval, that the budget may vary from this figure because of construction inflation.
6. It should be noted that the costs were indicative and based upon an estimate of cost per m<sup>2</sup>.
7. Design work has continued to take option 2 forward within Royal Institute of British Architects (RIBA) Stage 3. This work has demonstrated that in order to remain close to the capital plan allocation of £55m it is necessary to reduce the floor area.
8. Therefore two sub options were considered.
  - a. Option 2A – build the leisure centre within the budget of £55M
  - b. Option 2B- build the leisure centre to the space standard outlined at the December 2022 meeting. This would include a library.
9. In order to remain close to the current budget a revised design, option 2A, has been drafted that extends to circa 7,440 m<sup>2</sup> at an estimated cost of £56,981,962. This design includes all the uses outlined in the original option 2 with the exception of the library.
10. Budget contingency of up to £6.7m is included in the estimated costs. These are built into the cost estimates and make provision for additional costs and inflation some or all of which may be required. Proceeding without contingency provision would be a risk to the project.
11. In option 2A the library is omitted in order to prioritise income generating and sports capacity facilities for the Trust.
12. In order to include all the facilities outlined within the original option 2, including a library, a further option 2B has been developed. Option 2B extends to some 7,843 m<sup>2</sup> at an estimated cost of £59,258,960. The library area would also include an art class room space.
13. The cost for option 2B is similar to what was reported to Council in December 2022 which predicted a cost of £59M if a delay of two years was agreed.
14. An additional feature that is proposed in order to reduce cost is the external plant room which allows the specification of this external space to be reduced thereby reducing overall cost. This element is included in both 2A and 2B.
15. Construction cost is only one factor that requires to be taken into consideration. In addition, the larger facility will serve a larger number of users and provide the benefits of an integrated hub with a choice of leisure options. The current Eastwood Leisure Centre has a capacity for 285,000 service users. The new proposal (2B) with the library has a capacity of up to 650,000 service users. This increased capacity can benefit from funding available from

Developer Contributions associated with new housing developments to support the cost of new sporting and library facilities.

16. The potential benefits of including a library in the centre include the following;
  - a. The inclusion of a library adds to the overall appeal of the centre and the family-offer in particular. It is estimated that as much as 25% of footfall to the site could be driven by the library. It is anticipated that a library at Eastwood Leisure Centre could attract 150k visitors per annum;
  - b. Increased dwell-time and number of visits would be increased by the presence of the library. Its central location and relationship with the café would also have increased ancillary income and secondary spend (retail, catering, theatre, Pay As You Go and membership sales). For example the removal of the library is estimated at reducing membership by around 8%. This is estimated to generate income at around £100,000 p.a.;
  - c. The inclusion of the Art Classroom within the library was budgeted to generate £90,000 p.a. through classes. This is a conservative estimate reflecting current actuals;
  - d. The inclusion of the library follows the successful model of Barrhead Foundry and creates a large library on the east of the authority capable of serving as central hub to branch libraries in the area, and providing for future flexibility in the design of services;
  - e. Not including the library will miss the opportunity to create what is anticipated to be the most visited library in the authority, following the tried-and-tested model used elsewhere, including Barrhead Foundry; and
  - f. The new centre at Eastwood will serve a larger and growing East Renfrewshire population.
  
17. As agreed from the outset, any increase in operating costs for the new larger facility require to be offset by increased income to ensure that there is no increase in the subsidy offered by the Council to the East Renfrewshire Culture and Leisure Trust (ERCLT). This has been fully considered and assessed for option 2A and B.
  
18. A decision is now required by Council as to whether to proceed with option 2A or 2B in order to deliver the facility within the agreed timescales and costs. Regardless of which option is chosen, opportunities will be taken during the next phase of design to consider cost reductions that could remove up to £4m from the cost plan and achieve an estimated cost of £55.7m. Option 2A without a library would require less cost reductions to be made. Priority will be taken to minimise the impact on revenue generation, capacity or range of offer. Items that could be considered for cost review may be the theatre fly tower, studio theatre fit-out, merging the café and theatre bar, reducing the size of the training pool, acoustic separation of the library, and the extent of external works.
  
19. Irrespective of which option is chosen the intention is for construction to begin in April 2025. However advance works currently estimated at £1,920,000 could be undertaken between now and 24<sup>th</sup> April 2025.
  - a. Ecology survey and any mitigation
  - b. Utility diversions for Gas, Electricity, Water, Telecoms etc.

- c. Existing building alterations including potential removal and reconfiguration of fire escape and associated asbestos survey
- d. Site preparations including formation of building platform

20. Undertaking these works in advance of construction would reduce the risk of project delivery being delayed by factors such as utility connections and reduce the risk of some cost inflation.

21. The current expected programme would follow the sequence below dependent upon a decision taken at this Council meeting.

|  |                          |
|--|--------------------------|
| RIBA Stage 3 complete and cost review    | 17.05.2024               |
| ERC Instruction to progress RIBA Stage 4 | 31.05.2024               |
| Planning Application                     | 17.06.2024 to 06.09.2024 |
| Market Test Period                       | 29.07.2024 to 17.01.2025 |
| HubWS Stage 2 Report to ERC              | 20.01.2025               |
| Financial Close ERC Contract Execution   | 03.02.2025 to 28.03.2025 |
| Construction TBC                         | 28.04.2025 to 09.06.2028 |

## FINANCE AND EFFICIENCY

22. Provision of £55M currently exists for the Eastwood Leisure Centre in the capital plan.

23. In addition, up to £700k of Developer Contributions (DCs) is estimated to be available to contribute to the costs for new library and sports facilities, although not guaranteed. DCs are index linked to new development within the area that would be served by the new facility. Indexation means that sums can vary up and down depending on speed of development and housing market changes. The contributions are made by developers for specific purpose and secured by legal agreement with specific deadlines for spend.

24. Contingency budget is built into both options under consideration and various stages of the project as appropriate. A fixed price for construction will be known by January 2025 and contingency can be reassessed at that point. Until then, costs provided are based on estimates provided by the project team with these contingencies included.

| Contingencies built into current cost estimates |                           |                        |
|---|---------------------------|------------------------|
|   | Option 2A without Library | Option 2B with Library |
| 5% of Prime Cost*                               | £1,708,510                | £1,803,582             |
| Inflation Allowance @ 8.8%**                    | £3,160,300                | £3,336,159             |
| Client Risk Allowance                           | £1,600,000                | £1,600,000             |
|   |                           |                        |
| <b>Total</b>                                    | <b>£6,468,810</b>         | <b>£6,739,741</b>      |

\*base cost of materials and labour

\*\*Inflation is allowed for at 8.8% from now until mid-point construction.

25. The Council report of December 2022 advised that the chosen option (Option 2) would require an annual subsidy to the Trust of £750,000 per annum. This supports the annual running costs of the facility. This forecast has been updated based on better trading conditions. Current gym members continues to grow (15% up on pre-covid peak), swimming (33% up) and theatre performance is outstripping predictions.

26. The current centre this year is forecast to make an operating loss of around £900,000 per annum. It is now forecast the proposed new centre without a library (Option 2a) would reduce that to £800,000 per annum, whilst the centre with a library included (Option 2b) would see that fall to £710,000 per annum. The cost saving exercise (para 19) will have an impact on these forecasts and will require to be updated once the preferred option is determined and the costs saving measures are finalised.

27. Table 1 sets out operating costs and income for the current leisure centre and the 2 options under consideration. The forecasts show that both new larger facility options will result in reductions in the trading deficit. These figures exclude any displacement effect from changes to the wider library or sporting facilities service provision.

28. Option 2B reflects allowances for increased footfall (c. 150,000 p.a.), increased dwell-time and length of visits due to the presence of the library, and consequential sales.

Table 1 Operating Costs and Income for Eastwood Leisure Centre options

| <b>Income</b>          | <b>Current Centre*</b> | <b>Option 2A</b> | <b>Option 2B</b> |
|------------------------|------------------------|------------------|------------------|
| Gyms and Fitness       | £344k                  | £814k            | £904k            |
| Swimming               | £392k                  | £516k            | £526k            |
| Arts and Theatre       | £522k                  | £646k            | £736k            |
| Dryside                | £8k                    | £60k             | £60k             |
| Trading                | £4k                    | £25k             | £30k             |
| Coaching               | £0k                    | £82k             | £111k            |
| Property/Office Rental | £26k                   | £60k             | £90k             |
| <b>Total</b>           | <b>£1.3m</b>           | <b>£2.2m</b>     | <b>£2.46m</b>    |

| <b>Expenditure</b>    | <b>Current Centre*</b> | <b>Option 2A</b> | <b>Option 2B</b> |
|-----------------------|------------------------|------------------|------------------|
| Staff Costs           | £1,717k                | £2,440k          | £2,560k          |
| Supplies and Services | £381k                  | £458k            | £468k            |
| Property Costs        | £114k                  | £138k            | £138k            |
| <b>Total</b>          | <b>£2.2m</b>           | <b>£3m</b>       | <b>£3.17m</b>    |

\*23/24 forecasts

## **CONSULTATION AND PARTNERSHIP WORKING**

29. This report has been prepared in consultation with colleagues from the Trust, Procurement, Major Capital Projects Team and Accountancy. In consultation with Procurement, it has been agreed that the Council will utilise Hub West Scotland (HWS) to support the core project team in managing the delivery of this project. This will ensure that sufficient resources are applied to the project to ensure delivery on time and within budget.

## IMPLICATIONS OF THE PROPOSALS

30. This report has no implications in terms of Equalities and or Subsidy Control legislation. Legal and Information Technology requirements associated with the proposals will be fully assessed and provided for within the projects proposals.

31. Any proposed redesign of services would have to take note of the Change Process prescribed in the legal agreements (the Services Agreement) between the Council and the Trust in 2015, which outlines the measures each party must put in place when recommending a significant change in service provision.

32. A Climate Change Impact Assessment Stage 2 has been undertaken. The proposal will have a moderate positive impact on *Council Operations* achieving Get to Zero and will have small negative impact on *community emissions*. This is because:

- A full-electric heat and power system is proposed, removing the need for a gas boiler. This is supported by solar panels providing some power, reducing the demand for grid electricity.
- Operational energy intensity will be reduced from an estimated 965 kWh/m<sup>2</sup>/year to 360 kWh/m<sup>2</sup>/year. This provides carbon savings per annum of 303 tCO<sub>2</sub>e (based on 2023 emission factors).
- Expecting an increase in vehicle movements with new centre attracting new members and increased capacity for swimming lessons etc. This could be mitigated with a sustainable travel plan incorporated into the future operation of the site.

## CONCLUSIONS

33. Substantial work has been undertaken in the last 12 months to achieve a workable design within a climate of rising prices without compromising on the goal of a high quality and visually attractive facility within Eastwood Park. Two options have been developed that achieve this. A decision is required as to which option is desired.

34. Furthermore a decision is required as to whether to undertake some of the preparatory works now instead of January 2025 in order to remove some potential risks from the project.

## RECOMMENDATIONS

35. The Council is recommended to:

- a) Determine whether:
  - i. to progress option 2A, at an estimated cost of £56,981,962, that excludes a library from the proposed design, or
  - ii. to progress option 2B, at an estimated cost of £59,258,960, that includes a library within the proposed Leisure Centre, with the benefits outlined in the report;

- b) Note the contingency provision of up to £6.7m is included within the estimated costs and that a further assessment will be made once full construction costs are known at January 2025;
- c) Note the provision of £55m within the capital programme and a further £700k of Development Contributions is estimated to be available to support the project;
- d) Note that a cost cutting exercise will be undertaken to reduce estimated costs to within the available budget; and
- e) Approve expenditure not exceeding £1,920,000 for advance works, to enable de-risking of the main contract. This cost is included within the total development costs for both options above.

Director of Environment

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December 2023

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EAST RENFREWSHIRE COUNCIL13 December 2023Report by Chief ExecutiveMODERNISATION OF EASTWOOD HEADQUARTERS, GIFFNOCK**PURPOSE OF REPORT**

1. The purpose of this report is to seek approval to progress with modernisation works at Eastwood Headquarters, Giffnock.

**RECOMMENDATIONS**

2. It is recommended that the Council:
- a) Approves carrying out substantive works to Eastwood Headquarters following the decision to terminate the lease and close the Spiersbridge office in part to deliver future savings;
  - b) Approves the proposal to undertake minor, adaptive works in relation to progress towards net-zero carbon targets;
  - c) Notes the requirement for additional capital funding which will be considered as part of the 24/25 budget process; and
  - d) Approves further design work to be undertaken to Royal Institute of British Architects, (RIBA) Stage 4, acknowledging that this work is undertaken on the assumption that additional capital funding will be made available.

**BACKGROUND**

3. A paper to Cabinet on June 19<sup>th</sup> 2023 detailed the outcome of the review of the Council's office accommodation portfolio. Full details of this paper can be found [here](#).
4. At this meeting, Cabinet approved not to renew the lease of the Spiersbridge Office when it expires in February 2026 and noted the intention to return to Council with more detailed costed options for modernisation of Eastwood HQ to facilitate increased numbers of staff.
5. The Eastwood HQ options were presented to Cabinet last June and the saving in closing the Spiersbridge office equates to £449,500 per annum. This cost includes annual revenue savings of rent, service charge, property running costs and energy costs. These savings will be realised with effect from February 2026 when the lease on Spiersbridge expires.
6. Further analysis and consideration has been undertaken on a range of options and these have concluded that substantive, adaptive works including Civic Chambers - are

taken forward. More details, in terms of why this option, what this includes and related costs are outlined in the remainder of the report.

## REPORT

7. It is recognised that at a time of financial constraint all expenditure on buildings, as opposed to direct service provision, needs to be carefully considered. However it is important to note that it is not sufficient to simply dispose of surplus buildings. Remaining buildings require regular investment and in some cases re-purposing of space to serve new and or more flexible ways of using accommodation. Council office accommodation, like all buildings, require upgrades to ensure they are fit- for- purpose and to extend their useful life. In addition to this and given the planned closure of the Spiersbridge Office building in early 2026, significant numbers of staff require to be relocated elsewhere. The proposal for Eastwood HQ not only modernises the building but meets the need to support additional staff on a hybrid basis. The current building configuration does not do this.
8. Eastwood HQ was built in 1980 and aside from a small upgrade to the Civic Chambers and recent upgrade to the reception in 2015, the building has not benefited from any significant investment or upgrade since its construction over 40 years ago. Many of the building's original fittings remain to this date, including windows, staff welfare facilities, internal finishes and electrical infrastructure. These fittings are beyond their design life, inadequate for today's workforce needs and require replacement.
9. In addition to this, the boilers are 15 years old and will be approaching 'end of life' within the next 5 to 10 years. The windows, being of original construction, are old and draughty, resulting in heat loss and many do not open and close properly.
10. Despite the outdated 'look and feel' of the building, the project consultants have reported that the building was originally constructed to a high standard and it remains structurally sound. Furthermore, the building has had few issues with water ingress following roof works approximately 15 years ago. As a result, this represents a solid basis for modernising the offices and the Civic Chambers.
11. The proposal for Eastwood HQ seeks to modernise the building to create an improved working environment to attract and retain staff, with in-built technology to support hybrid working and collaboration.

### Office Accommodation

12. It is recognised that the way we use our office space has changed in recent years. Technology has transformed the way we work and deliver services. The use of technology such as Microsoft Teams means that office space needs to support a mixture of in-person and hybrid meetings. Increased mobile working is supported through the use of hand-held devices and apps. For example, the Scottish Road Works Register (SRWR) suite of apps includes utility drawings and inspections information which officers can access on-site.
13. Effective and productive working is substantially influenced by access to technology and workspaces to collaborate. The current design of HQ, with many corridors and closed small offices with limited technology substantially restricts collaboration opportunities and natural light.

14. Currently there is one small break-out area and while additional meeting rooms have been created over the years, these are not fit-for-purpose. A mechanical and electrical (M&E) assessment undertaken in March 2023 found that the electrical system was outdated, noting a significant number of sockets not working, with a heavy reliance on extension cables in use to address this and the absence of desktop sockets and network points. Meeting rooms with no convenient sockets for laptop use also leads to trailing cables which causes frustration amongst staff, limiting their ability to work in certain areas of the building and also poses a health and safety risk. Basic kitchen facilities i.e. kettle and sink, which have been installed in cupboards are also outdated, showing signs of ageing and lack modern amenities. Addressing both of these issues will improve safety and function and provide more appropriate facilities for staff.
15. The 2023 ERC Staff Health and Wellbeing Survey found that:
  - 27.93% of respondents disagreed with the statement; "I work in a modern office environment when I am on council premises"
  - 25.07% of respondents disagreed with the statement: "I have adequate facilities in my council workplace to support my health & wellbeing."
16. There is positive evidence that working in modern, fit-for-purpose office accommodation can bring significant benefits including:
  - Much greater opportunity for communication and collaboration among and across teams. It also allows for informal conversation and a free flow of ideas and opinions;
  - Building relationships with colleagues and strengthening teams;
  - Face-to-face learning is an important part of overall learning- there is great value in sitting with and learning from others in the course of daily routines and work;
  - Greater opportunities for informal and formal mentoring; and
  - Attracting the best talent to work in the organisation.
17. It is proposed that Eastwood HQ builds on the design ethos of the Eastwood Health & Care Centre offices and more recently, the plans for modernisation at the Barrhead office. This would see a move away from traditional private or personal office space to shared workstations, collaboration/break-out space, fit-for-purpose meeting rooms, 'touch-down' and quiet zones.
18. The proposal will make best use of all spaces including closed offices spaces, where required. The objective will alter the current lay-out to provide more open-plan office space, additional meeting rooms and informal collaboration areas, with new and upgraded staff welfare facilities to address the current deficiencies and to reflect that the building will accommodate additional staff, following the Spiersbridge closure. Other improvements include improved noise reduction measures throughout the building and overall improved occupant comfort through better ventilation and upgraded lighting. There would also be an increase in natural light levels through a more open plan approach in places-
19. Pre-Covid 19 occupancy levels for HQ offices were assessed in the region of 220 employees with more than 240 workstations, on a 1:1 person to desk ratio. Using a 10:6 person to desk ratio, 380 staff (using 228 workstations), could have Eastwood HQ as their contractual operational base. This would comfortably accommodate the relocation of approximately 108 employees currently based at the Spiersbridge Office.

Moreover, these ratios support a generous tolerance to accommodate existing staff requiring more time in the office in future years.

20. The proposed option increases the building's overall net useable area, including the useable area in the offices increased by 13% (350sqm).

### ICT

21. Modern, office working environments rely heavily on technology to facilitate communication, collaboration, productivity, and security. Each workstation at Eastwood HQ would have a standard level of kit which mirrors the approach taken in the Barrhead office. This will provide consistency for staff in any of our buildings. New large screens and hybrid equipment would be installed throughout the building's meeting rooms to allow for both in-person and remote participation. Reliable technology is essential to ensure meetings are not interrupted due to technology failure.

### Civic Chambers

22. The current Civic Chambers were designed before the widespread use of modern technology and, whilst modifications have been undertaken, the current facility could be substantially improved with regards to the use of technology, capacity and space.
23. The Chambers existing disabled access is currently severely restricted. A proposed raised floor would remove the requirement for the chairlift and enable more than one wheelchair user at a time to access the space. In addition, these works would relocate the audio-visual/server room to address the current awkward layout which frees up space in the main chambers area.
24. The current furniture is fixed in place thereby restricting flexibility on how the Chambers can be used for other purposes. In addition, the current desk space can be tight when accommodating both meeting papers and a laptop. The furniture would be replaced by modern, modular furniture to increase the flexibility within the space, allowing various seating styles to be accommodated, i.e. conference, workshop, boardroom, classroom styles etc. to create a multi-functional facility.
25. The current chambers can accommodate 35 officers and Elected Members along with a public gallery. The proposal would allow a doubling of the numbers of officers and Members to approximately 70 and retains a public gallery. In addition to being able to accommodate an increased number of people, the space would also be able to be used as a large meeting, events and training facility. This would be supported by modern, hybrid meeting technology to create a fully flexible multi-functional space which would support Council and wider community partnership activities.
26. The proposed works also include a reduction in size of the existing Members' Lounge from 67sqm to 15sqm. Members have indicated the Lounge is currently underutilised and this alteration would accommodate new toilet facilities. The current toilet facilities, which as outlined above, date back to the original construction date of the building, would be removed to create the additional space within the modernised chambers area. In addition, a new kitchen facility would be accommodated within the space which would be an important feature to support the flexible use of the space for more events and meetings. The Committee Room and Members' Lounge are combined and the Provost's Office is not affected.

27. This option increases the useable area in the Chambers from 90sqm to 170sqm, an increase of 90% on the existing area and, as highlighted above, creates a more useable and flexible space. Modernising the Chambers and associated areas could provide potential to generate income from events, conferences and seminars.
28. It should be noted that the proposals for works for both the offices and Chambers are indicative at this stage. Designs may change following consultation with stakeholders and services.

### Net Zero Opportunities

29. Undertaking the above work requires the Council to assess to what extent it wishes to take into account the future need to decarbonise buildings. There are some works that could be either undertaken now or later but it would be beneficial (from a cost, carbon and disruption minimisation perspective) to undertake these now.
30. Minor, adaptive works to help contribute towards net-zero targets would include new, larger radiators and upsized piping to future-proof later installation of new heating systems. This work is disruptive and it would be prudent to undertake this alongside modernisation works to avoid future damage to any decorative works.
31. In addition, the replacement of the windows is strongly recommended. The current windows are life-expired and have a number of deficiencies. They would be replaced with triple-glazed windows which would improve the thermal efficiency of the building. A small financial saving on heating would also be achieved. In conjunction with opening up some rooms to provide more open-plan space and improved ventilation to the office, the new windows will also provide better ventilation through trickle vents. This allows permanent air flow thereby significantly improving the air quality which has a direct positive impact on staff health and wellbeing.
32. Whilst the lease expiry on the Spiersbridge office is February 2026, the office modernisation element of HQ would be completed before this date. Works would be undertaken on a phased basis with the Chambers programmed as the last phase. This approach allows Eastwood HQ staff to be accommodated at Spiersbridge whilst works are underway and Spiersbridge staff, to be based at HQ, would be relocated as and when their new office accommodation is completed.
33. Works would be scheduled to start on site in January 2025 and be completed by August 2026.

### **FINANCE AND EFFICIENCY**

34. The estimated costs for the proposed works to both the offices and Chambers are £3.7m. This cost is inclusive of 20% contingencies and a 15% allowance for fees based on costs provided in Q1 2023. This option allows the Council to release the Spiersbridge office at the lease expiry in February 2026 at a saving of £449,500 gross per annum. Over a 20 year period this modernisation proposal represents a £3.3m saving in the Council's accommodation costs whilst providing a significant investment and renewal in office and chamber accommodation.
35. The costs for the 'net-zero' minor adaptive works are £800,000. These costs are not included in the savings calculation noted at paragraph 34.

36. It is recognised that, should this paper be approved, funds will not be available until April 2024 and to develop the design to RIBA Stage 4 detailed design, design team fees of £90,000 will be required for the period of January to March 2024. These costs will be met from the Council's Feasibility Fund. The remaining costs would be funded over 2 years from the approved capital budget from April 2024.
37. It should be noted that the costs prepared as part of the initial feasibility for HQ are based on Q1 2023 indices with allowances for inflation forecasts. In addition, there is still the need to undertake further disruptive/intrusive surveys on the building in relation to the preferred option which could potentially have a bearing on overall costs.
38. In terms of technology, costs for HQ requires a capital budget of £160,000 to cover desk set-up and collaboration screen costs, based on the desk numbers above. This is based on current costs for this hardware and is currently subject to the 2024/25 capital planning process. Revenue costs have already been built in at time of Barrhead provisioning so no additional revenue for ICT is envisaged.
39. In summary the total sum requested is £4.66M which can be broken down as follows:
  - £3.700M for modernisation works
  - £0.800M for net Zero works
  - £0.160M for ICT

## **CONSULTATION**

40. It is proposed that further briefing sessions will be held with Elected Members to provide updates on the development of the design for HQ, both in relation to the office accommodation and the Chambers, should this be approved. This will provide an opportunity for explanation and feedback.
41. In addition, a working group will be established to progress and inform the possible design options. This working group will learn from the engagement process deployed for the Barrhead office modernisation.

## **PARTNERSHIP WORKING**

42. In consultation with Procurement colleagues, it has been agreed that the Council would utilise Hub West Scotland (HWS) to support the core project team in managing the delivery of this project. This will ensure that sufficient resources are applied to the project to ensure delivery on time and within budget.

## **IMPLICATIONS OF THE PROPOSALS**

43. There are no negative implications of the proposals to modernise HQ specifically in terms of staffing, IT, Subsidy Control, equalities and sustainability. The proposal to incorporate carbon reduction measures within the HQ modernisation would have a positive impact on the Council's overall operational emissions. The plans also incorporate improved staff welfare facilities which will be beneficial to staff well-being. Improved access in the Civic Chambers will also benefit people with mobility issues.

## **CONCLUSIONS**

44. Modernisation of the offices and Civic Chambers presents the Council with an opportunity to substantively future-proof this key building within the office accommodation portfolio. In addition, the proposals improve the flexibility, capacity and efficiency of the building and would reflect the changes to traditional working practices in recent times. The proposal will significantly improve the working environment and civic space, with a strong focus on improved access and provision of staff welfare facilities, including break-out spaces. Improved meeting rooms and collaboration space would also enhance productivity. Overall, the modern, welcoming environment that will be created will improve the overall impression created for visitors, partners or members of the public coming into the council premises. The open plan nature of the offices will allow greater visibility and encourage greater interaction amongst colleagues. This is particularly important for new employees and managers to support interaction across and up and down throughout the organisation, broadening networks of knowledge and contacts. Attractive and accessible working environments are important to support staff retention and recruitment. The flexible use of the space has the potential to support and facilitate events to support strong community engagement.
45. The proposals also would offer enhanced facilities for local community groups to meet.
46. Furthermore, these proposals extend the useful life of an asset without an adverse impact on service delivery and achieve a substantive financial saving over the longer term.

## RECOMMENDATIONS

47. It is recommended that the Council:
  - a) Approves carrying out substantive works to Eastwood Headquarters following the decision to terminate the lease and close the Spiersbridge office in part to deliver future savings;
  - b) Approves the proposal to undertake minor, adaptive works in relation to progress towards net-zero carbon targets;
  - c) Notes the requirement for additional capital funding which will be considered as part of the 24/25 budget process; and
  - d) Approves further design work to be undertaken to Royal Institute of British Architects, (RIBA) Stage 4, acknowledging that this work is undertaken on the assumption that additional capital funding will be made available.

Chief Executive

Further information can be obtained from Phil Daws, Head of Environment (Strategic Services) 0141 577 3186 or [phil.daws@eastrenfrewshire.gov.uk](mailto:phil.daws@eastrenfrewshire.gov.uk)

November 2023

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EAST RENFREWSHIRE COUNCIL13 December 2023Report by Director of EnvironmentHRA LAND TRANSFER FOR AURS ROAD REALIGNMENT PROJECT**PURPOSE OF REPORT**

1. The purpose of this report is to seek approval for the transfer of land on the Housing Revenue Account (HRA) to the General Account for the purpose of constructing the active travel route as part of the Aurs Road Realignment project.

**RECOMMENDATIONS**

2. The Council is asked to:
- a) note the results of the consultation with tenant representatives and the Scottish Government undertaken; and
  - b) approve the transfer of 1.5 acres of land from the Housing Revenue Account to the Council's General Fund under Section 203(2) of the Housing (Scotland) Act 1987 for the sum of £350,000 for the purposes of constructing an Active Travel route as part of the City Deal funded Aurs Road Realignment Project.

**BACKGROUND AND REPORT**

3. East Renfrewshire is benefiting from a £44 million investment package through the City Deal infrastructure fund comprising £38million investment from the Scottish and UK Governments and co-funded by the Council with a £6 million capital contribution.

4. In terms of the City Deal investment, a programme of ambitious projects was approved (entitled the M77 Strategic Corridor Programme) by the Council in 2015 to stimulate economic growth, improve transport links, increase leisure opportunities, support business development, unlock residential land and generate economic benefits measured as additional Gross Value Added (GVA) and employment. An update report to [Cabinet on 23 March 2023](#) provides further information on the various projects including the Aurs Road Realignment Project.

5. The Aurs Road project will improve local connections between Newton Mearns and Barrhead and enable visitor facilities at the Country Park. It will upgrade and realign 2km of Aurs Road from the junction of Springfield Road in Barrhead to Stewarton Road in Newton Mearns and includes the installation of a promenade and active travel route. The active travel route has been developed in collaboration with Sustrans who are contributing funding towards this element.

6. On 25 October 2023, the Glasgow City Region Chief Executives' Group approved the Full Business Case (FBC) under delegated authority. Following successful approval, the City Region has released the final tranche of funding for the City Deal elements of the scheme.

### **HRA land transfer to General Account to construct the active travel route**

7. The Aurs Road Improvement project is progressing towards a site start in early 2024. An element of the active travel route is on 1.5 acres of HRA land to the west of Aurs Road between Springfield Road junction and the rail bridge. The land requires to be transferred to the Council General Account. The attached plan shows the design of the active travel route on the land to be transferred.

8. An application for the disposal of a large area of HRA land in Barrhead South for housing was submitted to Scottish Government in 2015 and conditional consent was given to dispose subject to a District Valuer valuation. The area of land referred to in this report sits within this site and forms a small area running along Aurs Road.

9. East Renfrewshire Council Tenants were written to in September 2022 to seek permission to transfer the land from the Housing Revenue Account to the Council's General Fund at an assessed value, to promote active travel in the area. No objections were raised.

10. The District Valuer has valued the required land, (1.5acres) at £350,000 and this will be transferred from City Deal budgets to the Housing Revenue Account.

11. The active travel route will bring wide-ranging benefits for East Renfrewshire residents. It provides the opportunity to transform walking and cycling connections in the local area. It will link with the proposed adjacent housing release on the remaining HRA land and provide linkages to the Dams Country Park.

### **FINANCE AND EFFICIENCY**

12. East Renfrewshire through City Deal is benefiting from a £44 million investment package which includes Aurs Road Realignment project that this land transfer relates to and the HRA will receive the full value of the land being transferred to the General Account as assessed by the District Valuer.

### **CONSULTATION**

13. Officers have consulted with the Scottish Government and local residents on the land transfer, no objections were raised by either to the land transfer.

### **PARTNERSHIP WORKING**

14. Stakeholder partnership working with Sustrans and Scottish Water has been undertaken along with internal collaboration involving roads, planning, legal, procurement and property which will be ongoing to completion of the Aurs Road project.

### **IMPLICATIONS OF THE PROPOSALS**

15. An equalities impact assessment in accordance with the Equality Act 2010 has been undertaken for this project, to supplement the Equalities and Human Rights Impact Assessment (E&HRIA) that was prepared alongside the East Renfrewshire Proposed Local Development Plan. The E&HRIA sets out what positive and negative impacts for the plan or its policies might have.

16. For the Aurs Road Improvements project, a Climate Change Impact Assessment Stage 2 report was undertaken in November 2022 which concluded that the project will have a moderate detrimental impact on Council operations achieving Get to Zero. These will be limited to the years of construction with no long-term detrimental impact beyond the supply-chain emissions. The project will have a small positive effect on climate impacts and a small positive effect on climate adaptation with the delivery of active travel routes and the possibility of using solar street lighting would reduce impact on electricity emissions.

17. There are no implications of the proposal in terms of staffing, property, legal and IT.

## **CONCLUSIONS**

18. The Council is asked to approve the transfer of 1.5 acres of HRA land to the General Account in return for a payment of £350,000.

## **RECOMMENDATIONS**

19. The Council is asked to:

- a) note the results of the consultation with tenant representatives and the Scottish Government undertaken; and
- b) approve the transfer of 1.5 acres of land from the Housing Revenue Account to the Council's General Fund under Section 203(2) of the Housing (Scotland) Act 1987 for the sum of £350,000 for the purposes of constructing an Active Travel route as part of the City Deal funded Aurs Road Realignment Project.

Director of Environment

Further information can be obtained from: Gillian McCarney, Head of Place  
[Gillian.McCarney@eastrenfrewshire.gov.uk](mailto:Gillian.McCarney@eastrenfrewshire.gov.uk)

December 2023

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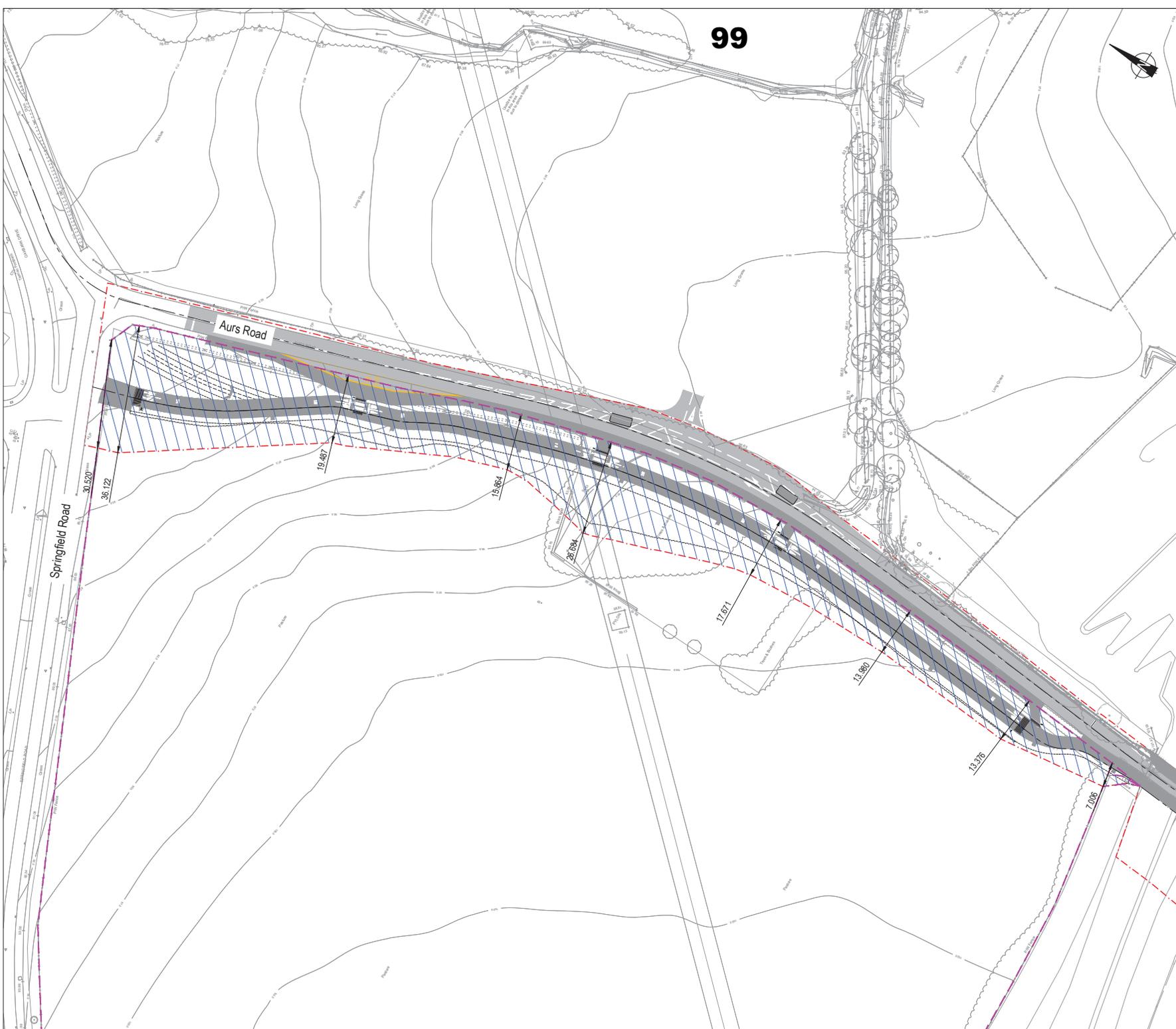


NOTES:

1. ALL DIMENSIONS ARE IN METRES UNLESS STATED OTHERWISE. DO NOT SCALE FROM THIS DRAWING.
2. THIS DRAWING SHOULD BE READ IN CONJUNCTION WITH ALL OTHER RELEVANT ENGINEERING DETAILS, DRAWINGS AND SPECIFICATIONS.

LEGEND

- BARRHEAD SOUTH SDO LAND REQUIRED TO FACILITATE CONSTRUCTION OF AURS ROAD PROJECT (6042m<sup>2</sup>)
- SITE BOUNDARY
- BOUNDARY OF BARRHEAD SOUTH SDO LAND OWNED BY EAST RENFREWSHIRE COUNCIL



| Mark | Revision | Date | Drawn | Chkd | Appd |
|------|----------|------|-------|------|------|
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SCALING NOTE: Do not scale this drawing - any errors or omissions shall be reported to Stantec without delay.  
 UTILITIES NOTE: The position of any existing public or private sewers, utility services, plant or apparatus shown on this drawing is believed to be correct, but no warranty is made as to its accuracy or completeness. Other such plant or apparatus may also be present but not shown. The Contractor is therefore advised to undertake their own investigation where the presence of any existing sewers, services, plant or apparatus may affect their operations.

Drawing Issue Status: **FOR COMMENT**

**AURS ROAD UPGRADE AND REALIGNMENT**  
**BARRHEAD SOUTH SDO LAND REQUIREMENTS**

Client

East Renfrewshire  
Council

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| Date of 1st Issue     | Designed | Drawn    |
| 04.05.20              | GJA      | GJA      |
| AT Scale              | Checked  | Approved |
| 1:500                 | DMcL     | DMcL     |
| Drawing Number        | Revision |          |
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EAST RENFREWSHIRE COUNCIL13<sup>th</sup> December 2023Report by Chief ExecutiveEAST RENFREWSHIRE COUNCIL PUBLIC ACCESS DEFIBRILLATOR STRATEGY  
2022 – 2027 – UPDATE DECEMBER 2023**PURPOSE OF REPORT**

1. This report updates the Council on work undertaken in relation to the East Renfrewshire Council Public Access Defibrillator Strategy 2022 – 2027 and sets out proposals for future work in this area to enhance the provision of public access defibrillators within East Renfrewshire.

**RECOMMENDATIONS**

2. It is recommended that the Council: -
- (a) Note the work undertaken to date on the East Renfrewshire Public Access Defibrillator Strategy 2022 - 2027;
  - (b) Agree that capital funding of circa £40,000 is identified to allow the purchase of up to 15 additional Public Access Defibrillators (PADs) and to support replacement parts, as required, of existing East Renfrewshire Council owned PADs;
  - (c) Agree the proposed general locations for up to 15 additional Public Access Defibrillators (Appendix 1);
  - (d) Agree that revenue funding of a maximum of £20,000 per annum is identified from 2024/25 onwards to allow the ongoing maintenance for up to 15 additional Public Access Defibrillators (in addition to the current 28 existing PADs) which are sited on East Renfrewshire Council properties bringing the total number up to a maximum of 43;
  - (e) Note the work undertaken by the Provost, as Community Defibrillator Champion, to work with local communities, faith groups, businesses and interested parties to raise funding for additional PADs, external cabinets and training and to identify suitable locations for the installation of additional PADs within East Renfrewshire.
  - (f) Note the proposal with St John Scotland and ongoing work to empower community groups to purchase, install and maintain Public Access Defibrillators across East Renfrewshire.

**BACKGROUND**

3. On 14<sup>th</sup> December 2022, the Council unanimously approved the [East Renfrewshire Public Access Defibrillator Strategy 2022-27](#) and agreed to encourage the Scottish Government to provide additional funding to support the purchase, installation and ongoing maintenance of additional defibrillators across East Renfrewshire.

4. It is recognised that in the event of an out of hospital cardiac arrest the availability of a defibrillator prior to the arrival of professional medical help has a significant effect on the likely survival rate. The aim of the Strategy is to facilitate an increase in the number of defibrillators in

an emergency to the public by working with individuals, community groups, community planning partners, local stakeholders and private sector organisations.

## REPORT

5. The East Renfrewshire Public Access Defibrillator Strategy outlined several actions to support this aim and a cross departmental working group was established to coordinate work. To date work has included:

- (i) Ensuring all 28 Council owned defibrillators are maintained and registered on “The Circuit”.
- (ii) Establishing a “Provost’s Community Defibrillator Fund” to allow donations that can support purchase of equipment, maintenance and training in CPR and using a defibrillator, as well as enabling groups to access defibrillators.
- (iii) Work to use the Provost’s Community Defibrillator Fund to support communities to move defibrillators located inside to be situated outside and therefore publicly available 24 hours has begun with one external cabinet identified and will be purchased and installed imminently.
- (iv) Encouraging registration of existing defibrillators across East Renfrewshire to “The Circuit” as part of an ongoing survey of local businesses and groups to identify defibrillators across East Renfrewshire. To date this survey has identified over 60 defibrillators. This live survey continues to enhance our understanding of the location of defibrillators within East Renfrewshire.
- (v) Working with partners to enhance CPR skills across East Renfrewshire. Scottish Fire and Rescue Service are actively involved and have already provided CPR and defibrillator awareness session to 6 staff with further work planned.
- (vi) Increasing awareness of defibrillator locations and what to do if you are a bystander when someone has a cardiac arrest. The Communications Team are actively working to support this work with key messages being developed.

## LOCATION OF PUBLIC ACCESS DEFIBRILLATORS IN EAST RENFREWSHIRE

6. In December 2022 there were 80 Public Access Defibrillators (PADs) located across East Renfrewshire including 26 Council owned (and maintained) which were registered on “The Circuit”. An additional 2 Council owned and maintained PADs have been installed, with the support of the Provost’s Community Defibrillator Fund, bringing the known total and registered on “The Circuit” to 82 PADs. An additional 15 PADs would bring this number to 97 across East Renfrewshire (based on December 2022 data).

7. Save a Life For Scotland ([www.savealife.scot](http://www.savealife.scot)), working closely with data from the NHS and University of Edinburgh, are working to provide statistical information on the incidence of cardiac arrest to allow mapping of this data across East Renfrewshire. It is anticipated that the data will indicate a higher likelihood of cardiac arrest occurring in the lowest Scottish Index of Multiple Deprivation (SIMD) areas.

8. Until the formal data is received, a mapping exercise has been undertaken using known PAD locations, data from “The Circuit”, statistic SIMD data for East Renfrewshire and creating an “imaginary ring” of 200m from the known PAD location in relation to East Renfrewshire Council owned buildings. The outcome of this work has been to identify that the following areas, in no priority order, as likely to benefit from additional availability of a PAD:

- Auchenback
- Barrhead Area
- Busby
- Crookfur
- Eaglesham
- Giffnock
- Newton Mearns
- Thornliebank

9. This work has identified that up to 15 additional PADs across East Renfrewshire would significantly improve the availability of a defibrillator should anyone suffer a cardiac arrest and, importantly, increase the chance of survival. Subject to approval and the necessary funding being identified, it is proposed that these additional PADs are fitted and installed to identified Council owned buildings (including Primary and Secondary Schools in the areas identified) and bring the total number of Council owned and maintained PADs up to a maximum of 43. Further details of these proposed PAD locations are included in Appendix 1 to this report.

## CURRENT COSTS AND OPTIONS

10. The current cost of each PAD including a suitable public use defibrillator, external cabinet, pads (adult and paediatric) and associated equipment is approximately £1,800 plus VAT plus the additional cost for fitting and installation.

11. It should be noted that the fitting and installation cost will vary significantly depending on the location of the external defibrillator and the distance from the nearest suitable power supply. It is estimated that installation costs are from £600 upwards and could run to £1,000s if, for example, a trench had to be created and recovered across a school playground. This is not an appropriate or good use of funds and alternative locations should be sought in this situation to ensure best value.

12. The total cost of a suitable defibrillator, external cabinet, pads (adult and paediatric) and associated equipment and allowing £600 for installation is therefore estimated to be around £2,400 + VAT per PAD. An additional 15 would therefore cost approximately £36,000.

13. Additional costs associated with PADs include regular maintenance checks and routine replacement of the battery and pads (plus additional replacement of the pads if the defibrillator is used).

14. The ongoing maintenance, or “guardianship” of a PAD does not require technical expertise. Manufacturer recommended checks include a daily check that the “active status” indicator is green (which can be observed without the need to open the external box) and monthly checks to ensure the condition of the unit and accessories are intact and that the battery and pads remain in date together with a manually initiated self-test. Additional checks are required every time the defibrillator has been used.

15. At present the 28 Council owned PADs are maintained, in line with manufacturer recommended manual monthly inspections, updating each PAD information online on “The Circuit” so it is available to the Emergency Services and providing replacement parts as required by the Property and Technical Services Team (PATS). There is currently no dedicated budget associated with this maintenance.

16. Although increasing the number of Council owned and maintained PADs by up to 15 additional units would significantly increase the coverage within East Renfrewshire, at this time there is no annual budget to support the ongoing maintenance and inspection of these PADs. It is estimated an annual maintenance cost of approximately £20,000 if the work is undertaken by

dedicated officers. Work is ongoing to investigate alternative solutions to reduce this cost and to minimise the level of work undertaken by PATS directly.

17. Many of the current 28 PADs owned and maintained by the Council will themselves be 5 years old next year. Some of the capital funding will be used to support replacement parts as required.

## **PROPOSED FUTURE WORK**

18. In addition to proposals to increase the number of PADs owned and maintained by East Renfrewshire Council it is recognised that to increase the general number of PADS across East Renfrewshire generally will require active engagement with local communities and stakeholders which must be undertaken to ensure a sustainable model that could deliver increased defibrillator provision. The Provost, in her role as Community Defibrillator Champion, is actively working with several local charities, communities and businesses to increase the number of PADs available across East Renfrewshire.

19. Work is currently ongoing to identify if an approach, similar to that in several other local authorities, could be put in place. This would seek to work through Community Benefits and link companies working with East Renfrewshire Council with local groups seeking to have a PAD. Although initial requests and a note of interest in having a defibrillator could be taken via the Council's website, the community group would be facilitated to obtain a defibrillator and have responsibility and ownership of the device.

20. In addition to this, a formal proposal to work closely with St John Scotland has been developed. St John Scotland, a registered and well-established charity, has significant experience of working with and guiding community groups in obtaining PADs. A recent high profile and very successful project has been the "St John and the City" project in conjunction with Edinburgh City Council to install defibrillators on trams across the City.

21. St John Scotland has indicated that in addition to supporting local community groups who express an interest in obtaining and maintaining a PAD (through their network of local volunteers) they would be able to cover some of the costs associated and will provide CPR and bystander training, free of charge. Initial discussions are taking place to ascertain if there could be opportunities for young learners currently undertaking the Duke of Edinburgh Award to be actively involved in the maintenance checks of defibrillators as part of the "volunteering" element and as part of a pilot project which could, subsequently, be extended to other local authorities.

22. Both above proposals could be directly supported by the Provost's Community Defibrillator Fund where a community group is unable to raise all the money required, to provide support for CPR training or additional equipment.

23. It is recognised that access to a defibrillator is a crucial element and needs a bystander having the confidence to step in, perform CPR, and use the defibrillator if an incident occurs. Working in partnership, Scottish Fire and Rescue Service have offered to provide CPR and how to use a defibrillator awareness raising sessions which will be offered, free of charge, to our East Renfrewshire Council employees and local community groups and interested parties.

## **IMPLICATIONS OF THE PROPOSALS**

24. This report has no implications in terms of legal or ICT specifically.

25. There are financial implications arising from this report if the recommendations of this report are accepted.
26. A total one-off capital funding of £40,000 might be funded from current revenue underspends. This will resource up to 15 additional PADS and support replacement parts for existing PADS on Council owned buildings.
27. Revenue funding, of a maximum of £20,000 per annum, which would be factored into the budget for 2024/25 and thereafter, would support ongoing maintenance work.

## CONCLUSION

28. Since the East Renfrewshire Council Public Access Defibrillator Strategy 2002 – 2027 was approved in December 2022 a wide range of work has been undertaken. The Strategy was a starting point of the journey to increase the number of defibrillators available to the public by working with individuals, community groups, community planning partners, local stakeholders and private organisations and the proposals outlined above would be a significant step on this journey.

## RECOMMENDATIONS

29. It is recommended that the Council:
- (a) Note the work undertaken to date on the East Renfrewshire Public Access Defibrillator Strategy 2022 - 2027;
  - (b) Agree that capital funding of circa £40,000 is identified to allow the purchase of up to 15 additional Public Access Defibrillators (PADs) and to support replacement parts, as required, of existing East Renfrewshire Council owned PADs;
  - (c) Agree the proposed general locations for up to 15 additional Public Access Defibrillators (Appendix 1);
  - (d) Agree that revenue funding of a maximum of £20,000 per annum is identified from 2024/25 onwards to allow the ongoing maintenance for up to 15 additional Public Access Defibrillators (in addition to the current 28 existing PADs) which are sited on East Renfrewshire Council properties bringing the total number up to a maximum of 43;
  - (e) Note the work undertaken by the Provost, as Community Defibrillator Champion, to work with local communities, faith groups, businesses and interested parties to raise funding for additional PADs, external cabinets and training and to identify suitable locations for the installation of additional PADs within East Renfrewshire.
  - (f) Note the proposal with St John Scotland and ongoing work to empower community groups to purchase, install and maintain Public Access Defibrillators across East Renfrewshire.

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## **Background Papers**

- East Renfrewshire Council Public Access Strategy 2022 – 2027; East Renfrewshire Council; 14/12/2022

**Appendix 1: Possible additional Public Access Defibrillator Locations (on East Renfrewshire Council owned property)**

| <b>Area</b>                     | <b>Reason for additional PAD being considered</b>   | <b>Possible Locations (ERC)</b>  |
|---------------------------------|---|--|
| <b>Auchenback</b>               | SIMD Area<br><br>These PADs would allow additional coverage in this area.   | St Mark's Primary  |
| <b>Barrhead Area</b>            | SIMD Area<br><br>These PADs would allow additional coverage in this area.   | St John Primary<br><br>Carlibar Primary<br><br>Dunterlie Community Centre                            |
| <b>Busby</b>                    | These PADs would allow additional coverage in this area.  | Bonnyton House<br><br>St Joseph's Primary<br><br>Busby Early Years Centre                            |
| <b>Crookfur</b>                 | This PAD would allow additional coverage in this area.  | Eastwood High School   |
| <b>Eaglesham</b>                | This PAD would allow additional coverage in this area.  | Eaglesham Primary  |
| <b>Giffnock</b>                 | This PAD would allow additional coverage in this area.  | Braidbar Primary School  |
| <b>Newton Mearns</b>            | Maidenhill Primary & Kirkhill Primary PADs recently added<br><br>These PADs would allow additional coverage in this area. | Hazeledean Nursery<br><br>St Cadoc's Primary<br><br>Albertsland Hall                                 |
| <b>Stamperland/ Williamwood</b> | This PAD would allow additional coverage in this area.  | No East Renfrewshire Council assets but the HSCP Building has been identified as a potential option. |
| <b>Thornliebank</b>             | This PAD would allow additional coverage in this area.  | Glen Family Centre   |
| <b>Windfarm</b>                 | This PAD would allow additional coverage in this area.  | Ranger Cabin   |

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