

<b>CONSTITUTIONAL WORKING PARTY</b>		
<b>Report Title</b>	Contract Procedure Rules	
<b>Key Decision</b>	No	Item No. 6
<b>Ward</b>		
<b>Contributors</b>	Head of Law, Acting Group Manager Procurement	
<b>Class</b>	Open	Date: 11 February 2008

### **1. Purpose of Report**

To seek the views of the Constitutional Working Party on possible amendments to the constitution that might take effect from the Full Council meeting in March 2008.

### **2. Recommendations**

(1) That members consider the current Contract Procedure Rules and indicate if they wish to accept the proposed amendments to the rules which are part of Standing Orders, Part IV of the Constitution at the next Full Council meeting.

(2) Officers be instructed to present any amendments agreed for consideration by the Full Council.

### **3. Background**

The Contract Procedure Rules are included in Standing Orders, Part IV of the Constitution and have not been revised for at least ten years. In that time there has been significant changes particularly with regard to EU and English legislation, and in processes and procedures for local government procurement. The proposed Contract Procedure Rules are attached as Appendix A.

### **4. Amendments to Contract Procedure Rules**

The amendments to CPR cover a number of areas and the attached Appendix B provides a brief explanation of the proposals and the reason for their inclusion. The list below gives the areas in which changes are proposed :

- Introduction
- Category values
- Authority to procure
- Contracts register
- Code of Practice for Contractors, Suppliers and Service Providers
- Method of inviting tenders
- Waiver of Contract Procedure Rules
- Submissions of tenders
- Late submissions, Errors, Discrepancies and Alterations
- Award of contract
- Energy contracts
- Private Finance Initiative / Negotiated Contracts
- Appeals and Mediation
- Scrutiny / Standstill Period
- Variations and Extensions

## **5. Legal Implications**

The Constitutional Working Party is an advisory working party as set in Paragraph 9.2 of Article 9 of the Council's Constitution. In accordance with Paragraph 9.3 of the same article, all Committee General Rules apply to the Working Party. Any constitutional amendments proposed by the Working Party must be agreed at a meeting of the entire Council.

## **6. Crime and Disorder Implications**

There are no direct crime and disorder implications arising from this report

## **7. Equalities Implications**

There are no direct equalities implications arising from this report. However, any changes proposed to the rights of the public to pose questions would have to be carefully considered in the light of the council's corporate commitments to equalities.

## **8. Financial Implications**

There are no direct financial implications arising from this report.

## **9. Environmental Implications**

There are no direct environmental implications arising from this report.

## **BACKGROUND PAPERS**

The Constitution of the London Borough of Lewisham which can be viewed at:

<http://www.lewisham.gov.uk/CouncilAndDemocracy/AboutLewishamCouncil/TheConstitution.htm>

If you have any queries on this report, please contact Andy Murray, Acting Group Manager Procurement, Resources Directorate extension 48133.

## **I – CONTRACT PROCEDURE RULES**

### **1. Introduction**

- 1.1 Every contract entered into by the Council must comply with these Contract Procedure Rules which set out the steps which must be taken in relation to contracts of different values; and which provides the framework rules for the Council's procurement of works, goods and services. Following them will ensure value for money, propriety and the proper spending of public money.
- 1.2 The Procurement Code of Practice provides more detail and shall govern Council tendering and contract procedures. The Executive Director for Resources and Head of Procurement shall maintain and issue the Procurement Code of Practice. Any procurement activity shall proceed in accordance with the Contract Procedure Rules and the Procurement Code of Practice
- 1.3 The purpose of procurement activity shall be to achieve best value for local people in accordance with the Council's statutory and approved objectives. This should include an innovative approach to building partnerships with the private and not-for-profit sectors within a robust contractual framework. Officers with responsibility for procurement shall ensure that they are able to demonstrate achievement of best value by having regard to a combination of economy, efficiency and effectiveness.
- 1.4 Every contract or official order for works, goods or services made by the Council shall be for the purpose of achieving the Council's statutory or approved objectives and shall conform to all relevant English and European legislation.
- 1.5 Procurement decisions are among the most important decisions a manager will make because the money involved is public money and the Council is concerned to ensure that high quality goods, works and services are provided. Efficient use of resources in order to achieve best value is therefore an imperative. The Council's reputation is equally important and should be safeguarded from any imputation of dishonesty or corruption.

- 1.6 For these reasons it is a disciplinary offence to fail to comply with Contract Procedure Rules and the Procurement Code of Practice when letting contracts and employees have a duty to report breaches of Contract Procedure Rules to an appropriate senior manager and the Head of Audit.

## **2. Interests in Contracts**

- 2.1 By law, officers are required to give written notice to the Chief Executive of any pecuniary interest they may have in a contract which has been or is to be entered into by the Council, other than a contract to which they are a party. Members too are under a legal duty to declare any personal interest they may have in any contract.
- 2.2 Both Members and officers shall be required to abide by the Member and Employee Code of Conduct (a copy of which is attached at Part V of this constitution) particularly in relation to their personal interests in contracts which have been or are to be awarded by the Council.

## **3. European Union**

- 3.1 All contracts shall comply with the EU Treaty and with any relevant European directives currently in force in the United Kingdom, as well as all relevant national legislation.
- 3.2 Notwithstanding the contents of these Rules, the tendering process must strictly comply with the EU Treaty and directives made under it and nothing contained within these Rules shall override current European and/or domestic legislation

## **4. Category Values**

- 4.1 Executive Directors should, wherever possible, adopt procedures which ensure that the Council obtains maximum value for money and in so far as complies with the law, encourages the use of contractors and suppliers who comply with the Council's Code of Practice for Contractors, Suppliers and Service Providers in force from time to time. A copy of the Code of Practice for Contractors, Suppliers and Service Providers is available from the Executive Director for Resources.
- 4.2 Except where it is otherwise stated, any reference to the estimated value or value of a contract means the total value of the contract (inclusive of any extension period) over its full term and it is not an annual or other periodic value. For annually renewable contracts and Schedule of Rate contracts, the value shall be calculated by reference

to methods applicable under the relevant European public procurement directive.

4.3 There are three categories of contracts:-

4.3.1 **Category A** - Building construction and engineering works contracts ('works contracts') with an estimated value of over £1m, other contracts with an estimated value of over £500,000, and contracts that fall within the full provisions of the EU procurement regime (Works, Supplies and Part A Services).

4.3.2 **Category B** - Works contracts with an estimated value of between £40,000 and £1m and all other contracts with an estimated value of between £40,000 and £500,000, and those that fall outside the full requirements of the EU procurement regime (Part B Residual Services).

4.3.3 **Category C**- All other contracts or arrangements with an estimated value of less than £40,000.

## 5. Procurement Routes

5.1 Unless otherwise agreed by the Executive Director for Resources, for example in the use of Framework and Schedule of Rate arrangements, all contracts for the supply of goods and services must be specific in terms of quantities to be supplied over a given period of time. The estimated value of such contracts over a period of time shall be the total value of the supply over the period including, where appropriate, all associated maintenance costs.

5.2 In circumstances considered appropriate by the Executive Director for Resources and subject to the provisions of Paragraph 9 (Award of Contract) below, officers may elect to use pre-existing framework arrangements (such as those operated by the Office of Government Commerce) or Consortium Contracts (such as those operated by the London Centre of Excellence or the London Contract and Supplies Group) to obtain tenders, providing value for money can be demonstrated. Before procuring or entering into a framework or consortium arrangement, the relevant officer shall be satisfied that:

- The term of the arrangement shall be or is for a period of no longer than four years duration;

- The terms and conditions of the arrangement do not compromise the Council's contractual requirements;
  - The parties to the arrangement are recognised public bodies or providers from the private sector as approved by the contracting agency
  - Full, open and proper competition in respect of the creation of the framework or consortium arrangement has taken place in accordance with the relevant EU rules and/or relevant standing orders.
- 5.3 Unless otherwise agreed by the Executive Director for Resources, officers involved in the contracting process will use the best practice identified in the Lewisham Code of Practice for Procurement.
- 5.4 The method of tendering shall similarly apply where a sub-contractor or supplier is to be nominated by the Council in respect of a contract to be performed by the Council for a third party.
- 5.5 The practice of collaborative tendering between local authorities and/or other public bodies is increasing, however, this should only be considered if there is a clear business case for doing so. This process has additional factors to be resolved by the partner authorities during the planning stages and should be covered by a comprehensive partnering mandate.
- 5.6 Everything from responsibilities to anticipated outcomes should be outlined in the collaboration mandate, which will be approved by the relevant senior officers in all participating authorities. To support this a project team should be established to manage the project using an agreed plan with clear milestones and deliverables.

## **6. Estimate of Expense Involved**

- 6.1 No Tender shall be invited unless there is adequate provision within the appropriate budget heading or other financial provision (e.g. special funding).
- 6.2 Before inviting tenders, the relevant Executive Director shall compile a written estimate of the value of the works or the goods or services for which a tender is to be invited. All such estimates will be kept in a central register by the relevant Executive Director.

## **7. Authority to Procure**

- 7.1 No Tender shall be invited unless Authority to Procure exists either :

- as the result of a 'Best Value' service review;
- resulting from prudential borrowing;
- in implementing the capital and repair and maintenance programmes;
- prior to the expiry of an existing contract;
- identification of a new corporate contract;
- as a result of external funding opportunities;
- contract failure;
- or as a matter of urgency or expediency.

## **8. Contracts Register**

A register of all tenders despatched and received by each Executive Director will be maintained by that Executive Director, in a format approved by the Executive Director for Resources.

## **9. Code of Practice for Contractors, Suppliers and Service Providers**

- 9.1 In so far as complies with the law, contractors, suppliers and service providers will have to satisfy the Council of their ability to comply with the Code of Practice for Contractors, Suppliers and Service Providers in force from time to time before being invited to tender.
- 9.2 It is the Executive Director for Resources' responsibility for maintaining, amending and updating the Code of Practice for Contractors, Suppliers and Service Providers.

## **10. Method of Inviting Tenders**

### **10.1 Category A Contracts**

- 10.1.1 In the case of Category A contracts, tenders shall be invited by public advertisement and/or Notice as necessary. Prior to invitation to tender, a public advertisement may be placed inviting prospective tenderers to express an interest in tendering. Where such an advertisement attracts so many responses that it would be impractical to invite tenders from all those who respond, then tenders shall be invited from a short list of contractors/suppliers which is approved in accordance with the Council's/Mayoral scheme of delegation as attached to the constitution.
- 10.1.2 However, if the Executive Director for Resources and the Head of Law determine that there are good reasons for doing so, in the case of Category A works contracts below the current European Union threshold, tenders need not be invited by public advertisement. In such

cases, tenders will be invited from at least 5 contractors from the Council's approved list. If the Council does not maintain an appropriate approved list or if the Executive Director of Resources so authorises then tenders may be invited from at least 5 other contractors, suppliers or service providers.

10.1.3 In the case of other Category A contracts, tenders need not be invited by public advert if a decision is made to the contrary in accordance with the Council's/Mayoral scheme of delegation which is attached to the Council's constitution. For non-executive functions, such a decision may only be made by the appropriate committee. For executive functions, the decision will be made in accordance with the Council's/Mayoral scheme of delegation.

10.1.4 In the case of any Category A contract, the Council shall not invite less than 5 tenderers, or negotiate with a single tenderer unless there are special circumstances which must first be approved by the appropriate committee (for non-executive functions) and in accordance with the Council's /Mayoral scheme of delegation (in respect of executive functions), in both cases having regard to the advice of the Executive Director for Resources and the Head of Law. See clause 8.4

## **10.2 Category B Contracts**

10.2.1 In the case of Category B contracts, tenders shall normally be invited by open advertisement, or with the prior personal written approval of the relevant Executive Director, from a minimum of 5 contractors/suppliers appearing on the Council's approved list.

10.2.2 If the Council does not maintain an appropriate approved list or if the Executive Director of Resources so authorises then tenders may be invited from at least 5 other contractors/suppliers.

10.2.3 In the case of any Category B contract, the Council shall not invite less than 5 tenderers, or negotiate with a single tenderer unless there are special circumstances which must be approved by the Executive Director for Resources in respect of "non-executive functions", and in respect of "executive functions" in accordance with the mayoral scheme of delegation, in both cases having regard to the advice of the Executive Director for Resources and Head of Law, if the decision is not delegated to either or both of those officers. See clause 8.4

## **10.3 Category C Contracts**

10.3.1 In the case of Category contracts, written quotations may be sought as follows:

<u>Estimated Value</u>	<u>Minimum Number of Quotations</u>
Under £10,000	One written
£10,001 to £25,000	Three written
£25,001 to £40,000	Four written

**Note 1** : the Values for all Category Contracts will be reviewed bi-annually by the Executive Director for Resources and any changes ratified as an “executive function” in accordance with the mayoral scheme of delegation.

**Note 2** : where it is proposed to use a two stage procurement process [stage 1 : expressions of interest: stage 2 : tender] then authority to agree shortlisted companies has to be obtained from Mayor & Cabinet for Category A Contracts or the relevant Executive Director for Category B Contracts.

#### **10.4 Waiver of Contract Procedure Rules**

10.4.1 Waiver of Contract Procedure Rules should only occur in exceptional or unforeseen circumstances. A waiver must be approved by the Executive Director for Resources in respect of “ non-executive functions”, and in respect of “executive functions” in accordance with the mayoral scheme of delegation, in both cases having regard to the advice of the Executive Director for Resources and Head of Law, if the decision is not delegated to either or both of those officers. To authorise this delegation the signee must be satisfied after considering a written report by the appropriate officer that the waiver is justified because:

- The nature of the market for the works to be carried out or the goods and services to be provided has been investigated and is demonstrated to be such that a departure from the requirements of Contract Procedure Rules is justifiable; or
- The contract is for works, goods or services that are required in circumstances of extreme urgency that could not reasonably have been foreseen; or
- The circumstances of the proposed contract are covered by legislative exemptions (whether under EU or English law); or
- It is in the Council’s overall interest; or
- There are other circumstances which are genuinely exceptional.

10.4.2 All waivers need to be properly documented and an audit trail provided for the circumstances and persons involved, including full explanation and sign off.

10.4.3 Where a waiver of Contract Standing Orders is sought for the second time in relation to the same contract, then regardless of the value of the contract, that waiver may only be agreed by the Executive.

## **11. Submission of Tenders**

11.1 In circumstances where the contract specification can be established with precision and with the agreement of the Executive Director Resources, the Council may conduct a reverse electronic auction prior to the award of the contract in order to determine the optimum supply arrangements for the Council.

11.2 In circumstances approved by the Executive Director of Resources the Council may use electronic requests for quotations and tenders , Dynamic Purchasing Systems and Competitive Dialogue to determine the optimum supplier for the works goods or service required as any need is established.

11.3 Within the contract notice the Council will specify whether the tender is to be submitted in hard copy and /or via electronic means. Irrespective of the means of tender submission all notices or invitations to tender shall clearly state the closing date and time for their receipt.

### **11.4 Tenders submitted in hard copy form**

11.4.1 The tender notice will clearly specify that no tender shall be received except in a plain sealed envelope/package. Every envelope/package shall have the word 'tender' marked on it followed by the subject and the date by which it is to be returned. However, the envelope/package shall not in any way indicate who the tenderer is; any envelope/package so marked will be rejected.

11.4.2 Tender envelopes/packages should be addressed in the following manner:-

**Category A Contracts** - To the Chief Executive.

**Category B Contracts** - To the Executive Director inviting the tenders.

**Category C Contracts** – To the Head of Service inviting the tender.

11.4.3 Such tender envelopes/packages shall remain in the custody of the Executive Director inviting the tender or the Chief Executive, as appropriate, until the time appointed for their opening.

## **11.5 Tenders submitted via electronic means**

11.5.1 Where tenders or part of the tender documentation are being submitted electronically, the tenders shall be delivered electronically to the address given in the Invitation to Tender.

11.5.2 Where tenders are being submitted electronically then they shall be kept in a secure environment with all confidential information protected in accordance with instructions issued by the Executive Director of Resources. All such tenders will remain unopened until the time appointed for their opening.

11.5.3 If the Council intends using an electronic auction as part of the tender process this must be clearly stated within any notice published and the auction completed as set out in instruction issued by the Executive Director Resources.

## **12. Opening and Acceptance of Tenders (Submitted in Hard Copy or Electronic Form)**

### **12.1 Category A Contracts**

12.1.1 Tenders shall be opened at the same time and after the deadline set for their return by the Chief Executive or an officer designated by him/her in writing. The tenders shall be opened in the presence of an officer approved by the Executive Director for Resources or Head of Law.

12.1.2 Where Tenders or part of the tender documentation are submitted electronically then they shall be viewed by the Chief Executive or an officer designated by him/her in the presence of an officer approved by the Executive Director for Resources or Head of Law and a record shall be made in an electronic folder or by alternative means.

12.1.3 In the case of electronic reverse auctions then the Chief Executive or an officer designated by him/her in writing will view the final submissions in the presence of an officer designated as above and a record of the result of the auction shall be recorded online or by alternative means. All decisions about acceptance of tenders which relate to non-executive functions shall be reported to the appropriate committee for decision.

### **12.2 Category B Contracts**

12.2.1 Tenders shall be opened at the same time and after the deadline set for their return, in the presence of an Executive Director, or an officer

designated by him/her in writing and an officer approved by the Executive Director for Resources.

12.2.2 Where Tenders or part of the Tender documentation are submitted electronically then they shall be viewed by the Executive Director or an officer designated by him /her in writing in the presence of an officer approved by the Executive Director of Resources and a record shall be made in an electronic folder as appropriate.

12.2.3 In the case of an electronic reverse auction the Executive Director or an officer designated by him/her in writing will view the final submissions in the presence of an officer designated as above and a record of the result of the auction shall be recorded on line or by alternative means.

### 12.3 **Category C Contracts**

12.3.1 Quotations shall be opened at the same time and after the deadline set for their return in the presence of a Head of Service, or an officer designated by him/her in writing and an officer approved by the relevant Executive Director.

## 13. **Late Submissions, Errors, Discrepancies and Alterations**

13.1 A tender or quotation received after the time and date specified in the invitation shall not be accepted or considered unless at the time of receipt, other tenders have not been opened and the relevant Executive Director authorises to the contrary in writing.

13.2 Where there are errors or discrepancies in a tender, the tenderer is to be given details of these and afforded an opportunity of confirming or withdrawing the tender.

13.3 No alteration shall be made to any tender after the time fixed for the submission of that tender, save in circumstances approved as appropriate by the Executive Director for Resources and the Head of Law.

13.4 Where the Council is utilising an electronic reverse auction as a procurement procedure enabling suppliers/providers to adjust their tender price in the light of information from the tender prices submitted by competing suppliers/providers, then alterations will be accepted as permitted by the auction process. No procurement shall take place by an electronic reverse auction unless the Executive Director for

Resources and the Head of Law advise that such process is appropriate for the procurement in question.

#### **14. Award of Contract**

- 14.1 **Category A Contracts** - Decisions about the award of a Category A contract can only be made in respect of non-executive functions by the appropriate committee. For executive functions, decisions will be made in accordance with the Mayoral scheme of delegation, in both cases having regard to the advice of the Executive Director for Resources and the Head of Law.
- 14.2 **Category B Contracts** – A contract may only be awarded to a tenderer who has submitted the most economically advantageous tender. However, where the most economically advantageous tender is not the lowest price, the decision maker or decision making body may only award a contract with a value of £200,000 or more in accordance with the Mayoral Scheme of Delegation and subject to the Executive Director for Resources' written approval. In all cases the reasons for acceptance shall be recorded in the register referred to in paragraph 8 above.
- 14.3 **Category C Contracts** – A contract may be awarded by the relevant Executive Director or Head of Service, in accordance with the relevant Directorate scheme of delegation.
- 14.4 **Contracts Exceeding the Written Estimate** - Any contract which exceeds the original written estimate of the scheme cost by more than 10% may only be awarded by an officer to whom the award has been delegated, on the approval of the Executive Director for Resources. If the tender exceeds the written estimate of the value of the contract by £50,000 or more, the tender shall be referred to the appropriate committee (for non-executive functions) or in accordance with the Mayoral scheme of delegation for approval. In both cases, the decision may not be taken without regard to the advice of the Executive Director for Resources.
- 14.5 **Energy Contracts**
- 14.5.1 The privatisation of the energy market has created a volatility that has made the normal award procedures outdated; the Executive Director for Resources is therefore delegated to award energy or water contracts regardless of value. This delegation to exist until such time as the current volatility ends and this will be deemed to have occurred when suppliers are consistently prepared to hold their prices for at least 30 days.

14.5.2 At the completion of tender opening, officers will complete the tender checks and analysis and then brief the Executive Director for Resources on the outcomes and present a recommendation for approval. If any of the following parameters apply, the delegated powers of the Executive Director will not apply:

- The additional cost of green electricity over brown exceeds 5%
- The overall cost of the contract has risen more than 50% in one year
- The contract length exceeds 3 years

14.5.3 If these parameters are exceeded the Executive Director for Resources must obtain approval from the Mayor.

14.5.4 An information report will be presented to Mayor & Cabinet (Contracts) once each year prior to the autumn budget setting period. The report will summarise the contracts awarded during the previous 12 months and the financial implications for budget holders. Also the parameters for the delegation will be reviewed and agreed at the same time.

#### 14.6 **Private Finance Initiative / Negotiated Contracts**

14.6.1 These contracts are generally covered by EU regulations and are carried out under either the Negotiated Procedure or Competitive Dialogue; both of these tendering routes tends to produce a process that extends over a protracted timescale due to the complexity of the projects.

14.6.2 As the process moves towards completion an 'award' report ( Category A contracts – clause 13.1) will be tabled, however, the nature of 'negotiated contracts' means that further negotiations extend up to actual signing (financial close) of the contract. This factor has made the normal award procedures outdated; the Executive Director for Resources is therefore delegated to award negotiated contracts regardless of value.

14.6.3 If any of the following parameters apply, the delegated powers of the Executive Director will not apply:

- The additional cost of the contract has risen by more than 5%
- The outcomes of the contract have been changed so as to have altered an agreed position that has a commercial or service significance
- The contract period has been extended by more than 2 years.

The above parameters can be altered, replaced or added too at the formal award stage.

## **15. Appeals and Mediation**

- 15.1 In terms of procedural matters, if a company/individual believes that they have received unfavourable treatment as a result of the Council's policies and procedures in relation to the letting of contracts they may appeal to the Head of Law, as long as they notify the Council within 5 business days of receiving notification of the fact.
- 15.2 They must appeal in writing [e-mail an acceptable format] outlining their case and the reasons why they view the Council has treated them unfavourably.
- 15.3 The Head of Law will investigate the case and respond within a further 5 business days of receipt of appeal.
- 15.4 If the company/individual still feels aggrieved by their treatment they can opt for the decision of the Head of Law to go to mediation and the Council will nominate an external mediator to hear the case.

## **16. Scrutiny / Standstill Period**

- 16.1 The contract cannot come into force until a mandatory 'standstill' period (for EU processes) or the internal scrutiny period have elapsed. The former is to allow unsuccessful tenders the opportunity to suspend the process (by judicial interruption) if they have a valid case to challenge the decision. In the latter it allows the Overview & Scrutiny Committee to call-in the decision and ask the Mayor to reconsider the award of contract. The time allowed to cover both of these periods is 10 days from the date of the contract award letter.

## **17. Written Contracts**

- 17.1 All contracts are to be in writing and shall be signed on behalf of the Council or executed in accordance with the following arrangements and with such instructions as may be issued from time to time by the Head of Law.

### **17.1.1 Property Contracts**

This paragraph relates to contracts for the acquisition, sale or grant of any interest in land ("Property Contracts").

Property Contracts up to a value of £250,000 shall be signed by the Head of Law or by the Executive Director or Head of Property and Development Change title? (or their duly authorised representatives).

Property Contracts with a value in excess of £250,000, where the transaction is to be effected by a separate transfer, lease or other form of deed, shall be signed by the Head of Law or Executive Director and at least one other officer duly authorised by them.

Property Contracts with a value in excess of £250,000 where no further deed is to be executed shall be sealed with the Council's common seal and signed by the Head of Law (or an officer authorised by him/her to do so). Put in Para. 29 of Financial Regulations

#### 17.1.2 **All other Contracts**

**Category A Contracts**, as defined in these Standing Orders shall be sealed with the Council's common seal and signed by the Head of Law (or an officer nominated by him/her to do so).

**Category B Contracts**, as defined in these Standing Orders, must be signed by an Executive Director and at least one other officer.

**All other contracts or arrangements** shall be signed by the Responsible Budget Holder in line with the requirements set out in the Council's Financial Regulations.

#### 18. **Variations and Extensions**

18.1 Subject to any statutory restrictions and compliance with Financial Regulations, Mayor & Cabinet (variation or extension valued as Category A contract) or the Executive Director for Resources (variation or extension valued as Category B contract) may authorise the following extensions and variations to an existing contract:

- An extension for a particular period provided for within the terms of the contract (but subject to satisfactory outcomes of contract monitoring); or
- a single extension of the contract by up to one year, or half the contract term (whichever is less); or
- Any other variation, and if relevant a consequent change in price, determined in accordance with the contract terms.

#### 19. **Liquidated and Ascertained Damages**

19.1 All service and works contracts with the exception of those contracts which have a value below £40,000, shall provide for liquidated damages, save where the Executive Director for Resources and Head of Law determine that it is not appropriate.

**20. Security and Guarantee**

20.1 The Council shall take such security and/or guarantee for the due performance of every contract as is, in the opinion of the Executive Director of Resources, sufficient in all the circumstances.

**21. Schools with Delegated Budgets**

21.1 Rules relating to schools with delegated budgets are set out in Appendix 1 to this Part I.

## CONTRACT PROCEDURE RULES : REVISION

### Constitution

#### Part IV : Procedure Rules – Standing Orders

##### Section I

These rules have not been revised for at least 11 years and there has been significant legislative and best practice changes that necessitate this revision.

Points to note :-

#### 1. Introduction

This section has been rewritten to stress the requirement to achieve 'Best Value' for the Council in all its procurement activity and it also promotes the use of the Procurement Code of Practice. To emphasize the importance of procurement decisions clause 1.6 makes it a disciplinary offence to fail to comply.

#### 4. Category Values

Lewisham rules have been split into three categories based on value of contract.

##### Current :

Category A	Works £1,000,001 and above Supplies & Services £500,001 - £1,000,000
Category B	Works £20,000 - £1,000,000 Supplies & Services £20,000 - £500,000
Unclassified	Below £20,000

##### Proposed :

Category A	Works £1,000,001 and above Supplies & Services £500,001 - £1,000,000 All full EU contracts
Category B	Works £40,000 - £1,000,000 Supplies & Services £40,000 - £500,000
Category C	Below £40,000

In terms of low value contracts the average benchmark figure for London councils is approximately £47,000.

## **5. Procurement Routes**

New section allowing collaborative procurement and use of contracts procured by other bodies [as long as they have been procured properly].

## **7. Authority to Procure**

New section outlining the basis of requirement to tender.

## **8. Contracts Register**

Lewisham has signed up to entering all its contracts on the Pan-London Contract Register formulated by the London Centre of Procurement Excellence, this will facilitate opportunities for collaborative procurement and give opportunity for collaborative supplier negotiations.

## **9. Code of Practice for Contractors, Suppliers and Service Providers**

Confirms the status of this document which is issued to all tenderers [included as Appendix 3]

## **10. Method of Inviting Tenders**

Minimum number of tenderers has been increased from 4 to 5 [in line with EU legislation]. In terms of Category C Contracts guidance is included regarding the number of written quotations that should be sought based on value. Note 1 proposes that the Category values should be reviewed bi-annually [as per EU] by the Executive Director for Resources and ratified in line with mayoral scheme of delegation.

### **10.4 Waiver of Contract Procedure Rules**

Currently this is included in the above section, it has been split to provide greater guidance in this area.

## **11. Submission of Tenders**

New section which caters for the introduction of all elements of electronic tendering including e-auctions, this is becoming the norm and we now comply with the Public Service Directive 2006 which introduced some new procurement routes [Competitive Dialogue, Dynamic Purchasing Systems]

## **13. Late Submissions, Errors, Discrepancies and Alterations**

Most of these details were include in other sections, split out to make it easier to gain guidance on these issues.

#### **14. Award of Contract**

Clause regarding tenders exceeding written estimates included.

#### **14.5 Energy Contracts**

New section included due to the volatility of the market which requires decisions within hours.

#### **14.6 Private Finance Initiative / Negotiated Contracts**

New section included due to the fact that agreements in this type of contract are completed at a point in time when the contracts are signed [financial close] which conflicts with our normal award procedures.

#### **15. Appeals and Mediation**

New section included as the EU is now enforcing its requirements about open and transparent processes and procedures and with the introduction of the 'standstill' period [see next note] it is envisaged that more companies will question council's decisions and this provides a systematic approach to such grievances.

#### **16. Scrutiny / Standstill Period**

New section to take regard of the internal process changes that have occurred since the introduction of the mayoral system of governance; and also as a result of the 'Alcatel' case in Europe which provides for the opportunity for unsuccessful companies to ask for a judicial interruption of the contract award.

#### **18. Variations and Extensions**

New section outlining a protocol for variations and extensions.

# **Code of Practice for Contractors, Suppliers and Service Providers**

for all organisations who  
wish to contract with the  
Council

## **Procurement Team**

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March 2006

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# 1. Introduction

## 1.1 **The Council's Codes of Conduct**

1.1.1 The Council is committed to the highest standards of behaviour in public life. To promote this commitment, the Council has adopted two Codes of Conduct, one applying to Members of the Council and one applying to its staff. These Codes are available on the Council's website.

1.1.2 If you believe that a member of the Council's staff has breached the Employee Code of Conduct, please report it to the Council. We treat all complaints under this Code very seriously and will investigate any allegation received.

1.1.3 If you believe that a councillor has breached the Member Code of Conduct, then those complaints should be referred to:

The Standards Board for England, 1<sup>st</sup> Floor Cottons Centre, Cottons Lane, SE1 2QG

E-mail address: [enquiries@standardsboard.co.uk](mailto:enquiries@standardsboard.co.uk) Telephone number 020 7378 5000

1.1.4 The Council has also adopted a whistleblowing policy to deal with allegations of malpractice or misconduct by its members, staff or contractors. That policy is also available on the Council's website. The policy is publicised throughout the borough and can be used by anyone with a complaint if they feel that other available channels for raising concerns would be inappropriate, or if they fear repercussions.

1.1.5 The Council's Head of Law is responsible for dealing with allegations raised under this procedure. If you have any query about the whistleblowing policy, or the Member and Employee Codes of Conduct please contact her:

Kath Nicholson, London Borough of Lewisham, Town Hall, Catford, London SE6 4RU

E-mail address [kathy.nicholson@lewisham.gov.uk](mailto:kathy.nicholson@lewisham.gov.uk) Telephone 020 8314 7648

## 1.2. **The Code of Practice for Contractors, Suppliers and Service Providers**

1.2.1 As well as the Codes of Conduct adopted for members of the Council and its staff, the Council has established this Code of Practice for Contractors, Suppliers and Service Providers under specific powers set out in its Standing Orders.

1.2.2 All contractors, suppliers and service providers will be expected to satisfy the Council of their ability to comply with the Code before they are considered for any contract to be let. Contractors, suppliers and service providers will also be expected to comply with this Code during the currency of a contract and failure to do so could result in the termination of the contract and the imposition of restrictions on the opportunity to tender for future Council contracts.

1.2.3 Notwithstanding the above, the Council may in certain exceptional cases give exemptions from certain requirements of this Code where the size or nature of the contract or contractor does not warrant its fullest application.

1.2.4 This Code applies to all persons working on any Council contract and the main contractor, supplier or service provider cannot avoid responsibility by sub-contracting out the whole or part of the work. All references to a contractor, supplier or service provider therefore apply equally to a sub-contractor.

## 2. Conditions

### 2.1 **Advertisement of the Code**

To enable all employees of a contractor, supplier or service provider to be familiar with the contents of this Code, the Council will make available a concise version of the Code, which should be placed in a position or positions where it can easily be read by all employees.

### 2.2 **Asbestos**

The Council considers that all asbestos, including waterborne asbestos, is potentially dangerous and that there is no safe limit of exposure. Accordingly, the Council has banned the use of all asbestos products in the construction of any new Council building or in any alterations done to existing buildings.

It is the Council's policy that the removal of asbestos and related products is undertaken by specialist contractors licensed for the purpose by the Health and Safety Executive. If any asbestos is discovered by a contractor, other than a licensed one, during the course of contract, work must cease immediately and the Supervising Officer must be contacted for advice.

### 2.3 **Best Value**

The Local Government Act 1999 places a duty of Best Value on local authorities to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness. Lewisham has added equality, environmental impact and electronic service delivery to these measures of continuous improvement.

Contractors, suppliers and service providers will take reasonable steps to co-operate with and assist the Council in fulfilling this duty, in particular to secure continuous improvement in the provision of works, supplies and services.

### 2.4 **Bonding**

The Council requires all contractors, suppliers and service providers to provide sufficient bond or surety for contracts where it is deemed appropriate. The Council will normally require contractors, suppliers or service providers to obtain a bond through its nominated bonding agent to the value of 10% of the contract value, but may in appropriate circumstances accept a nomination by the contractor, supplier or service provider or a cash deposit in lieu of a bond.

### 2.5 **Collusive Tendering**

Contractors, suppliers or service providers must not collude with another in the pricing or submission of any tender. If such collusion is proven to the satisfaction of the Council then the contractor, supplier or service provider concerned will be removed from the Council's Approved List and any contracts obtained by such methods may be determined by the Council.

## 2.6 **Considerate Constructor Scheme (CCS)**

All construction or refurbishment contracts/projects in excess of £100,000 or 6 weeks in duration must be registered with the Considerate Constructor Scheme and all contractors working on these projects need to adhere to the rules of the scheme. The registration must be undertaken by the principal contractor, who should detail on the CCS documentation the name and contact details of the Lewisham principal contact for each project. Costs of the scheme to be paid by the contractor.

Contact details for CCS are: <http://www.considerateconstructorsscheme.org.uk>

## 2.7 **Creative Lewisham**

**Lewisham's vision is to become the best place in London to live, work and learn. Any project that impacts on the physical environment should be assessed from an urban design perspective, and any contractor, supplier or service provider involved will be expected to work closely with the Council to achieve this aim.**

## 2.8 **Defects Liability and Liquidated Damages**

Contractors, suppliers and service providers will be subject to defects liability and liquidated damages clauses in circumstances where the Council's Standing Orders so require.

## 2.9 **Energy**

The Council recognises the many benefits of energy conservation and is committed to improving energy efficiency in the Borough in order to ensure the long term well being and comfort of its people.

Contractors, suppliers and service providers are advised that they will be expected to demonstrate their commitment to energy efficiency having regard to the objectives set out in the Council's Energy Policy (statement is attached as Appendix A).

The evaluation criteria applied in assessing the suitability of any tenderer, will include an examination of its energy policy and what measures it takes to ensure energy efficient measures in carrying out works, or delivering services or supplies (as appropriate) in general and what is proposed in relation to the contract being tendered.

## 2.10 **Environmental Issues**

Lewisham Council is committed to ongoing improvements in environmental performance. It has identified all the significant environmental impacts of its activities and has set long term improvement objectives for each of these.

Where activities with significant impacts are carried out on its behalf by contractors, suppliers or service providers the Council requires such organisations to help achieve the relevant objectives. It will therefore include the objectives in contract specifications and invites tenderers to state how they will meet them.

Contractors, suppliers and service providers are advised that they will be expected to demonstrate their commitment to environmental sustainability having regard to the objectives set out in the Council's Environmental Policy (statement is attached as Appendix B).

The evaluation criteria applied in assessing the suitability of any tenderer, will include an examination of its policy on environmental issues and what measures it takes to ensure environmental measures in carrying out works, or delivering services or supplies (as appropriate) in general and what is proposed in relation to the contract being tendered.

#### 2.11 **Equal Opportunities**

The contractor, supplier or service provider must not treat any person less favourably than another person because of his or her race, gender, colour, nationality, disability, ethnic origin, or sexuality in any recruitment, training, promotion, delivery of goods, provision of services or undertaking of works.

The contractor, supplier or service provider must follow best practice and comply with all legislation in relation to equal opportunities and to the extent that they are not inconsistent with the Council's equal opportunity policy and that of the contractor, supplier or service provider.

Contractors, suppliers and service providers will provide the Council on request with copies of:-

- (a) Instructions to those concerned with recruitment, promotion and training.
- (b) Policies, procedures and other documents available to employees, recognised trade unions or other representative groups of employees.
- (c) Recruitment advertisements or other literature.

#### 2.12 **FairTrade**

The Council wishes to encourage contractors, suppliers and service providers engaged to work for the Council to show a commitment to FairTrade. The Council is committed to Lewisham achieving and maintaining "FairTrade Borough" status by meeting the five goals necessary to become a designated FairTrade Borough.

Information on FairTrade can be found at: <http://www.fairtrade.org.uk>

#### 2.13 **Financial Viability**

The Council will require all contractors, suppliers or service providers to provide copies of audited accounts and, where applicable, auditors and directors' reports in order that financial viability may be assessed.

Contractors, suppliers and service providers will be subject to a periodical review of their financial situation and must satisfy the Council of their continuing financial capability to resource any prospective contracts.

#### 2.14 **Fraud and Corruption**

The Council expects all of its contractors, suppliers, agents, partner organisations and individuals, to act with honesty and integrity. Client officers will be responsible for monitoring their actions and for ensuring that their terms of reference, agreements and/or contracts include a clause to the effect that contractors, suppliers and service providers must abide by the Council's Fraud Policy and co-operate with fraud investigations by Council officers.

Agency employees engaged by the Council are bound by the same rules as direct Council employees and are expected to uphold those principles contained in the Code of Conduct. Failure to do so will result in termination of their engagement.

## 2.15 **Freedom of Information Act**

The Freedom of Information Act [FOIA] provides a general right of access to information about all public contracts and procurement activity held by public authorities, subject to certain conditions and exemptions. This means that the Council will be obliged under the Act, to release certain information about the suppliers it contracts with, into the public domain, within certain limits and according to relevant exemptions.

The main exemption relevant to procurement will be Commercial Interests, which means trade secrets and information likely to prejudice the commercial interests of any person (including the public authority) holding it. However, this is a qualified exemption, and the Council can only refuse to disclose information where having decided the exemption applies the Council considers the public interest in withholding disclosure is greater than the public interest in disclosure.

Information on the FOIA can be found at: <http://intranet.lewisham.gov.uk/foia>

## 2.16 **Gifts and Inducements**

Contractors, suppliers and service providers should be aware that it is a criminal offence under Sub-Section 2 of Section 117 of the Local Government Act 1972 for an officer of a local authority to accept any fee or reward whatsoever other than his/her proper remuneration.

Whilst the Council will always consider the facts of every individual case, if it is proven to its satisfaction that any such fee or reward is offered then any contract the contractor, supplier or service provider has with the Council is likely to be terminated and damages sought from the contractor, supplier or service provider. In addition, the contractor, supplier or service provider concerned will almost certainly be removed from the Council's Approved List or any other Select or Tender Lists for which the organisation is being considered.

## 2.17 **Health and Safety**

All contractors, suppliers and service providers must provide the Council with a copy of their health, safety and welfare policies and procedures. In assessing the adequacy of these documents the Council will take into account the nature of the work, supply or service to be undertaken.

Contractors, suppliers and service providers must keep copies of their health and safety policies and procedures on site and at all locations from which the contractor, supplier or service provider operates and the policy must be practised and subject to regular review.

The Council will require health and safety policy statements to be available and practised regardless of the size of the contractor, supplier or service provider concerned. All contractors must comply with the Health and Safety at Work Act 1974 and such other specialised safety regulations and/or insurance requirements that may apply to the type of work to be undertaken.

## 2.18 **Insurances**

All contractors, suppliers and service providers employed by the Council must maintain such insurance policies as are necessary to cover any liability which may arise under the contract.

For contractors, suppliers and service providers wishing to tender for contracts, the following policies will be required as a minimum:-

- Public Liability with a minimum indemnity limit of £5m in respect of each and every claim
- Employers' Liability with minimum indemnity limit of £5m in respect of each and every claim
- Professional Negligence insurance with a minimum indemnity limit of £2m in the annual aggregate

The insurance policies must be maintained with reputable insurers and approved by the Council.

The Council may in certain circumstances amend the required level of cover where a risk assessment of a contract indicates such a level is appropriate.

### 2.19 **Lobbying**

Contractors, suppliers or service providers must not lobby or canvass either a member or an employee of the Council in an endeavour to obtain a contract. In addition, all contractors, suppliers and service providers will be required to disclose at the time of tendering the nature of any relationship with an employee or a member of the Council.

### 2.20 **Local Employment**

It is hoped that contractors, suppliers and service providers engaged to work for the Council will show a commitment to the borough and its residents. If it is necessary for employees to be recruited to work on Lewisham contracts, all contractors are asked first to appoint people resident within the borough and if this is not possible, to employ people resident in neighbouring boroughs.

### 2.21 **Materials, Plant, Equipment and Machinery**

All materials, plant, equipment and machinery used on Council contracts must comply with the specification(s) in the contract documents or if none is so specified, the most suitable materials, plant, equipment and machinery reasonably obtainable. Where a British Standard applies then materials, plant, equipment and machinery that meet the latest standard must be used.

### 2.22 **Quality Standards**

Whilst it is not a requirement for contractors, suppliers or service providers to be formally Quality Assured with an accredited certification body, it is a requirement that organisations have a quality management system in place that is at least to the standard of ISO9001:2000 (or equivalent). Such a system must take account of the following principles of quality management:

- focus on customers
- provide leadership
- involve people within the organisation
- use a process and systems approach
- encourage continual improvement

- base decisions on facts
- work with suppliers

### 2.23 **Statutory Obligations**

Contractors, suppliers and service providers must comply with, and give all notices required by, any Act of Parliament or any instrument rule or order made under any Act of Parliament.

### 2.24 **Sub-Contracting**

Any contractor, supplier or service provider wishing to sub-contract must submit the name of the sub-contractor to the Council for approval. The main contractor, supplier or service provider will be responsible as far as practicable for the compliance with this Code by any sub-contractor employed on a contract and the contractor, supplier or service provider must enforce its provisions against the sub-contractor if necessary.

When seeking written permission from the Council to sub contract, the main contractor must satisfy the Council of the intended sub contractor's competence and provide written evidence of having assessed the sub contractor in the following areas:

- experience in the type of work to be done;
- health and safety policies and practices;
- recent health and safety performance (number of accidents etc);
- qualifications and skills;
- safety method statement;
- health and safety training and supervision provided;
- arrangements for consulting the workforce;
- any independent assessment of their competence;
- memberships of a relevant trade or professional body; or
- whether they or their employees hold a 'passport' in health and safety training.

The degree of competence required will depend on the work to be done, and the level of risk involved.

The Council will treat a breach of this Code by a sub-contractor as if it were a breach by the main contractor, supplier or service provider and will be entitled to take action against the main contractor, supplier or service provider accordingly.

The main contractor, supplier or service provider must make it a requirement in any sub-contract that the sub-contractor complies with this Code and the main contractor, supplier or service provider must supply a copy to the sub-contractor. For this purpose, the Council will on request provide additional copies of this Code to the main contractor, supplier or service provider.

### 2.25 **Support Facilities**

Contractors and, where appropriate, suppliers must satisfy the Council that they have sufficient off site facilities to enable them to execute the contract.

### 2.26 **Technical Competence**

The Council will satisfy itself of contractors', suppliers' and service providers' technical competence and ability to undertake works for which they may be considered. In

assessing such suitability, account will be taken of similar works undertaken recently and the size and qualifications of the contractor's or suppliers workforce relevant to its ability to resource the particular type of work. The contractor, supplier or service provider must provide such relevant information and reasonable access for the Council to assess such suitability.

Contractors wishing to undertake electrical installation work must be on the Approved Roll of the National Inspection Council for Electrical Installation Contracting (NICEIC). Contractors wishing to undertake gas installation, or maintenance work, must be on the Register of the Confederation of Registered Gas Installers (CORGI).

### **2.27 Tipping, Removal and Disposal of Waste**

Contractors must satisfy the Council that they have and maintain satisfactory arrangements for the removal and disposal of rubbish and waste materials. The Council will require contractors to prove that such arrangements have been made.

### **2.28 Transfer of Undertakings (Protection of Employment) Regulations [or 'TUPE']**

The Transfer of Undertakings (Protection of Employment) Regulations, provide that, if an undertaking is transferred by one employer to another, the staff of the undertaking are

- (a) entitled to employment by the new employer, with the same conditions of service as before,
- (b) not entitled to redundancy payments from their old employer. The Regulations (as amended by the Trade Union Reform & Employment Rights Act 1993) incorporate into UK law the EC Acquired Rights Directive.

The TUPE Regulations will not apply to all Council contracts, but where they do, contractors, suppliers and service providers will be expected to make provision for their implementation in any tenders. Where a bid is submitted on the basis that TUPE would apply, the Council will need to be satisfied that the Tenderer is proposing to offer pension arrangements which are broadly comparable to those currently available to the staff.

Under the Local Government Pension Scheme (Amendment etc) Regulations 1999, the Scheme is modernised to allow the entry of specific types of employers by means of admission agreements. This entry ['Admitted Body Status'] may be available to companies bidding for Council contracts, and allows the transferred staff to maintain their current pension arrangements. Tenderers should seek their own independent professional advice in these cases.

## **3. Enforcement of the code**

- 3.1 The Council will seek to ensure that all contractors, suppliers and service providers whom it employs comply with this code.
- 3.2 Any duly accredited representative(s) of the Council will have the contractual right at all reasonable times to enter any site, depot, workshop or office of the contractor, supplier or service provider (or the sub-contractor if appropriate) to ascertain whether or not this Code is being complied with. During any such visit the representative(s) may be accompanied by the contractor, supplier or service provider or their representative(s).



Lewisham

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## ENERGY POLICY STATEMENT

The Council recognises the many benefits of energy conservation and is committed to improving energy efficiency in the Borough in order to ensure the comfort and well being of its people. This involves a commitment to the following measures, as funding and the decision making process permits:

- 1) Create housing conditions that provide **affordable warmth**, especially for those on low income, through the development of practical initiatives to tackle problems associated with poor heating and insulation.
- 2) Ensure use of the most **energy efficient technology** for design, installation and retrofit work in the Council's operational buildings and housing stock, and encourage the installation of energy efficient measures in private properties.
- 3) Use and promote the most **environmentally friendly** practical energy source.
- 4) Provide **advice and education** on energy efficiency to the public, staff and businesses. Actively promote energy efficiency issues and increase public awareness of energy use and its effect on the environment.
- 5) **Monitor** energy consumption in council buildings, periodically checking this consumption against benchmarks. Work towards electronic checking of all invoices.
- 6) Provide a service to enable energy to be purchased at the **lowest economic and environmentally friendly rate** and periodically review purchasing tariffs.
- 7) Ensure a comfortable **working environment** for staff, where temperature and humidity levels do not compromise productivity.
- 8) Take into account **personal circumstances**, advising low-income households on the availability of grants and special schemes.
- 9) Use **vehicles** with low fuel consumption and pollution reducing technology and ensure their regular servicing and energy conscious operation. Promote and facilitate the use of alternative modes of transport.
- 10) Work in **partnership** with other authorities and organisations in implementing this policy.

*Approved by Environmental Sustainability Committee 4 September 2001*



## Lewisham

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### ENVIRONMENTAL POLICY STATEMENT

1. Lewisham Council is committed to improving the quality of life of both the local and wider community now and in the future.
2. It recognises that quality of life in the longer term is dependent on the health and quality of the local and global environment.
3. It also recognises that improvements in the standard of living of the developed countries have been achieved through a wasteful use of resources and exploitation of fossil fuels across the world.
4. This is contributing to:
  - 4.1 global warming and climate change through green house gases emitted by burning fossil fuels,
  - 4.2 pollution of air, land and water,
  - 4.3 loss of forests, soils, fish stocks and other resources through harvesting them more rapidly than they can regenerate.
5. All three above are acting together to destroy ecosystems - the communities of interdependent plants and animals across the globe which help regulate the environment and keep the planet fit for life.
6. In the spirit of Local Agenda 21 agreed at the Earth Summit in 1992 and the Local Government Declaration on Sustainable Development which it signed up to in 1994, the Council is committed to continually improve its environmental performance by:
  - 6.1 integrating and achieving environmental performance objectives within all its services, programmes and working practices: and
  - 6.2 ensuring its activities are designed to reduce adverse impact on the environment and to use resources increasingly efficiently over time.
7. The council will use the system provided by the Eco Management and Audit scheme to achieve this.
8. The Council is committed to encourage others in the borough to do the same in order to promote improvements in the environmental performance of the borough and in local environmental quality.
9. The council will take action to:-
  - 9.1 Reduce Lewisham's contribution to climate change through the use of fossil fuels
  - 9.2 Reduce Lewisham's contribution to the destruction of the global and regional environment (habitats, biodiversity and resources) through the goods and services purchased by the council and by others in the borough.

- 9.3 Improve local air quality and reduce traffic congestion
- 9.4 Reduce local water, land and noise pollution
- 9.5 Increase local biodiversity in existing wildlife habitat and encourage the creation of new habitat
- 9.6 Improve the quality of the built environment and standards of design and management
- 10. As a large organisation and employer, the council aims to do this by**
- 10.1 Raising the awareness of all staff and members about environmental issues, best practice in tackling them in every day life and at work and motivating them to take action, including adopting healthier, less resource intensive lifestyles
- 10.2 Ensuring managers at strategic and operational levels take environmental issues into account in all decision making: take responsibility for managing and monitoring the environmental impacts of their services and continually improve environmental performance
- 10.3 Ensuring products, materials and energy purchased to deliver council services have been produced in ways which do not harm, or which benefit the environment, are sourced as locally as possible to minimise transport impacts and are reused or recycled at the end of their lives as far as possible
- 10.4 Working with contractors and suppliers to help them improve their environmental performance in meeting the council's own standards and objectives
- 10.5 Increasing the environmental performance of council buildings over time, managing their grounds to promote wildlife and biodiversity and ensuring they are located to minimise the need to travel to them by car
- 10.6 Meeting, and wherever possible, exceeding all relevant environmental legal standards
- 10.7 Adopting and achieving within Lewisham all local, national and international objectives and targets to protect the environment, for example, national CO2 emission reduction targets and national waste strategy targets
- 10.8 Ensuring that appropriate environmental risk assessments are conducted and contingency procedures are in place in the event of environmental accidents or emergencies
- 10.9 Ensuring this policy is widely communicated to all staff, elected members, contractors and partners
- 10.10 Achieving and maintaining registration to the European Union's Eco Management and Audit scheme

- 11. As a regulator, provider of services, developer and leader within the borough, the Council aims to implement the policy by:**
- 11.1 Ensuring all services, projects and programmes developed and provided by the council and its partners are designed to minimise adverse impact, maximise beneficial impact on the environment and use resources as efficiently as possible. This includes regeneration, housing, economic development and transport schemes and all local environmental, housing, social and educational services.
- 11.2 This will be achieved through the ongoing EMAS process of:
- a. Assessing environmental impacts of the activities
  - b. Setting improvement objectives
  - c. Identifying and applying best practice in improving the environmental performance of the activities
  - d. Monitoring and evaluating performance and progress in meeting objectives
- 11.3 Enforcing regulations and legislation designed to protect the environment and promote sustainable development for which Lewisham is responsible, as effectively and fairly as possible, including:
- a. Land Use Planning
  - b. Building Control
  - c. Trading Standards
  - d. Environmental Health
- 11.4 Raising awareness amongst local residents and businesses of global, regional and local environmental issues and the impact of current behaviour towards the environment on the quality of life of future generations, encouraging local action and the adoption of good practice
- 11.5 Consulting local people and working in partnership with them by facilitating their participation in:
- a. decisions with implications for the environment and
  - b. local actions and programmes to improve the environment
- 11.6 Influencing national environmental and sustainable development policy and that of other organisations
- 11.7 Measuring, monitoring and reporting on the borough's environmental impact and the state of the local environment to show progress in achieving an improved and more sustainable local and global environment
12. This statement provides the framework for setting objectives, targets, annual action programmes and procedures for achieving the principles outlined above. These are detailed in the EMAS Register.

*Approved by Executive Committee 21 March 2001*