

**London Borough of Bromley**

**PART 1 - PUBLIC**

**Briefing for Care Services Policy Development and Scrutiny Committee  
Tuesday 4 December 2012**

**EDUCATION AND CARE SERVICES CONTRACT ACTIVITY  
REPORT - OCTOBER 2012 TO MARCH 2013**

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**1. Summary**

- 1.1 Policy Development and Scrutiny (PDS) Committees are reviewing the contract registers and contractual activity of all portfolios. This report outlines current contractual activity in Education and Care Services (ECS) and sets out plans for activities to be undertaken between October 2012 and March 2013. This report covers all contracts for Children's and Adults' Social Care contracts. Education contracts are reported separately to the Education PDS Committee.
- 1.2 Appendix 1 provides detailed information about the history of each of 58 ECS contracts with a value of more than £200,000.
- 1.3 22 contracts are due to expire during the next six months. Commissioners have already considered the actions required as a result of the contracts which appear on the register and a programme of work is in place to ensure that pre-tender planning and procurement processes will be completed on time and reported as required. This work will result in a number of significant contract awards which will be reported to the Portfolio Holder and Executive as appropriate.

**2 THE BRIEFING**

- 2.1 The Executive and Resources Policy Development and Scrutiny (PDS) Committee has recommended that the PDS Committee for each Portfolio reviews the contracts register associated with that portfolio. This report covers activity to be undertaken between October 2012 and March 2013.
- 2.2 Appendix 1 shows 58 ECS contracts with a value of more than £200, 000. It also gives information about the history of each contract.
- 2.3 22 contracts are due to expire during the next six months. Commissioners have already considered the actions required as a result of the contracts which appear on the register and a programme of work is in place to ensure that pre-tender planning and procurement processes will be completed on time and reported as required. This work will result in a number of

significant contract awards and/or extension requests which will be reported to the Portfolio Holder and Executive as appropriate.

2.4 During this period new contracts which have been recently awarded following formal tender exercises are commencing. These are:

- ❖ Mental Health Flexible Support Services
- ❖ Learning Disability Framework Agreement
- ❖ Block contract for residential and nursing care beds
- ❖ Advocacy Services for Adults

2.5 Other tender exercises or extension requests, for contracts both above and below £200k, which will be progressed during this period are shown below.

<b>Contract</b>	<b>Annual Value £000</b>
Healthwatch Bromley	145
Independent Visitors for Looked After Children	25
Family Group Conference services for Looked After Children	61

2.6 During this period the Commissioning Division is undertaking a review of contracts with the voluntary sector which are due to expire in March 2013. Recommendations arising from these will be reported to relevant committee's as appropriate.

2.7 During this period the Procurement and Contract Compliance Team will be undertaking the annual fee negotiations with providers of residential and nursing home placements. This is an extensive piece of work covering 4600 placements.

2.8 The contracts team has developed and adopted a work plan based on work arising from all contracts due to expire during the next three years. It also outlines the strategy to be adopted for commissioning, the responsible commissioner and key milestones. A traffic light mechanism is used to assess the current status of each project and any projects with red status are reported to fortnightly divisional management team meetings and quarterly to the ECS Departmental Management Team. A red status to a project might be allocated for example when there is slippage in a project timeline resulting from an unexpected lack of interest from the market for a tender. Commissioners and Procurement and Contract Compliance staff implement recovery plans for projects with red status alerts in order to ensure that the department operates within financial regulations.

2.9 The Contract Compliance team is responsible for ensuring that all contracts are monitored. The level of monitoring undertaken is decided on the basis of a risk assessment which takes into account the vulnerability of users, previous performance, complaints, safeguarding issues raised and contract value. Monitoring is proportionate to the size of the contract and risk, therefore ensuring that resources are allocated appropriately. The team is also responsible for ensuring that regular performance information is received, analysed and reported to relevant commissioners and making regular visits to services to ensure that they are delivering high quality services at best value. The team also facilitates regular provider forums in order to engage with the supplier market.

- 2.10 The ECS Procurement and Contract Compliance Team leads for the Council on the roll out of e-procurement. E-tendering significantly reduces the officer time and resources spent on procurement exercises and the process has enabled the team to complete a high volume of procurement activity during the last two years. ECS has further developed the use of the e-tendering system for the process of getting quotations for lower value goods and services. This process is being embedded within all departments of the Council following a training roll out during September 2012 managed and delivered by ECS.
- 2.11 The ECS Procurement and Contract Compliance Team is working in cooperation with Corporate Procurement to look at the opportunities around joint contracting, particularly with the members of the South East London Procurement Group.

### **3 FINANCIAL AND LEGAL IMPLICATIONS**

- 3.1 There are measures in place to ensure that savings that can be made through procurement processes are identified. All new contract awards where the value exceeds current value less 25% are considered by a Council wide Officer Procurement Board and an officer / Member steering group.
- 3.2 Procurement and Contract Compliance work is carried out in accordance with the Council's Financial Regulations and Procurement Rules. Where appropriate procurement exercises are undertaken in accordance with European Union regulations.