

London Borough of Bromley

PART 1 - PUBLIC

**Briefing for Care Services Policy Development and Scrutiny Committee
March 2013**

**EDUCATION AND CARE SERVICES CONTRACT ACTIVITY
REPORT - MARCH 2013 TO OCTOBER 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 March and October 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 56 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 March and October 2013.
- 2.2 Appendix 1 shows 56 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 procurement options and reported these to Members as appropriate. Action plans have been drawn up for all contracts and a programme of work is in place to ensure that pre-tender planning and procurement processes will be completed on time. 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 in accordance with financial regulations.

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

- Healthwatch Bromley
- Learning Disability framework for flexible support
- Direct Payments – payroll service
- Family Group Conference Service for Looked After Children

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.

Contract	Annual Value £000
Support services for Women fleeing Domestic Violence	300
Support services for Homeless Young People and Care Leavers	£438
Support services for Ex-offenders	£77
Public Health Contracts	To be determined
Extra Care Services	To be determined
Reablement Service	To be determined
Framework for Children’s Residential Care Placements	To be determined
Services for Children and Young People with Mental Ill Health	To be determined
Learning Disabilities Supported Living schemes – Padua Road, Masons Hill, Copers Cope Road	To be determined

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

2.7 On April 1st 2013 Public Health formally joins the Council. There are some 60 Public Health contracts which have in the first instance been extended for a period of one year. During 2013/14 recommendations for future procurement arrangements for these contracts will be reported to Members. There are also contractual arrangements with a total value of £14m contained within a longer term contract with Bromley Healthcare which will expire in March 2016. Officers are currently working with colleagues in Public Health and in other London boroughs in order to establish how to minimise the duplication of work across boroughs and maximise value in these contracts.

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. Currently officers are working on a new framework for Supporting People services with Lewisham and Southwark. We are also working closely with the members of the South East London Procurement Group on ensuring the best value for residential placements, both for adults and children.

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.