

London Borough of Bromley

PART 1 - PUBLIC

**Briefing for Education Budget Sub-Committee
19th January 2016**

**EDUCATION, CARE & HEALTH SERVICES CONTRACT
REPORTS – EDUCATION CONTRACTS**

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1. SUMMARY

- 1.1 The Executive and Resources Policy Development and Scrutiny (PDS) Committee has agreed a template report for London Borough of Bromley Contracts. The report details the current status of all contracts with a whole life value of £200k or more, with all relevant contracts identified from the Contract Register.
- 1.2 Executive and Resources PDS recommended that the PDS Committee for each portfolio reviews the Contract Register report relevant to their portfolio, providing any comments as appropriate.
- 1.3 The Contract Register report for all 34 contracts relevant to the Education Portfolio is included as **Appendix One** to this paper. In addition, the paper provides a brief update on planned contract activity over the next six months.

2. THE BRIEFING

- 2.1 **Appendix One** details all current contracts relevant to the Education Portfolio with a whole life value of £200k or more; there are 34 of these in total.
- 2.2 Monitoring of the contracts is the responsibility of the relevant service team within the Education division of the Education, Care & Health Department.
- 2.3 A significant number of contracts will continue to be let during the next six months to support the sufficiency agenda for primary school places. These contracts for capital works will be funded through the Basic Needs Capital Grant and will be covered in a separate report.
- 2.4 To support the programme for primary and secondary schools, the Strategic Place Planning Team and ECHS Procurement Team have made use of various external frameworks to procure works and services. The teams are continually reviewing and researching the best available frameworks in the market to ensure the most appropriate are used going forward.

- 2.5 A Dynamic Purchasing System is in place to facilitate the procurement of School Improvement and School Support Officers, Supply Teachers for Behaviour Service and Tutors for Looked after Children. This has introduced a wider range of potential providers who are competing for the opportunity to deliver these services.
- 2.6 The new Public Contracts Regulations 2015, which put EU Directives into UK law, has meant significant changes to tendering exercises undertaken within ECHS. The distinction between Part A Services (which were subject to the full rigour of the EU procurement rules) and Part B Services (including education, care and health services, which only required a Contract Award Notice to be published at award stage for service contract above £172k) has been removed – Education Care and Health services (as identified in the Regulations) are now covered by the ‘Light Touch Regime’ (LTR). This change has required:
- staff in the ECHS Procurement Team being trained on the new regulations and associated guidance, in liaison with Corporate Procurement, and
 - changes to the Council’s own Contract Procedure Rules and Financial Regulations, on which refresher training for the team will be required.
- 2.7 Members have requested that contract monitoring information on all contracts above a total value of £50,000 is collated, presented and reported in a standard format across all departments and PDSs. The Procurement and Contract Compliance Team have been working on capturing this information on the 200 ECHS contracts that need to be reported, 65 of which relate to Education PDS.
- 2.8 The Procurement 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 ECHS 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. There are no issues on Education projects which give rise to any concerns.

3. FINANCIAL AND LEGAL IMPLICATIONS

- 3.1 There are measures in place to ensure that procurement processes are rigorously adhered to. All Gateway reports where the contract value is above £500k are considered by a Council-wide Commissioning Board.
- 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 EU regulations.