

Decision Maker: ENVIRONMENT PDS COMMITTEE

Date: 30th January 2018

Decision Type: Non-Urgent Non-Executive Non-Key

Title: CONTRACTS REGISTER

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Chief Officer: Nigel Davies, Executive Director of Environment & Community Services

Ward: All Wards

1. Reason for report

- 1.1 This report presents an extract from November 2017's Contracts Register for detailed scrutiny by PDS Committee – all PDS committees will receive a similar report each cycle.
- 1.2 This report is based on information covering all Portfolios, which was produced on 21 November 2017 and presented to Contracts Sub-Committee on 30 November 2017.
- 1.3 The Contracts Register contained in 'Part 2' of this agenda includes a commentary on each contract (there is no covering report).

2. **RECOMMENDATIONS**

That PDS Committee:

- 2.1 **Reviews the appended £50k Contracts Register (which also forms part of the Council's commitment to data transparency); and**
- 2.2 **Notes that the Contracts Register in Part 2 of the agenda contains additional, potentially commercially sensitive, information in its commentary.**

Impact on Vulnerable Adults and Children

1. Summary of Impact: The appended Contracts Register covers services which may be universal or targeted. Addressing the impact of service provision on vulnerable adults and children is a matter for the relevant procurement strategies, contracts award and monitoring reports, and service delivery rather than this report.
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Corporate Policy

1. Policy Status: Existing Policy:
 2. BBB Priority: Excellent Council:
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Financial

1. Cost of proposal: N/A
 2. Ongoing costs: N/A
 3. Budget head/performance centre: Environment Portfolio
 4. Total current budget for this head:- £29.56m
 5. Source of funding: Existing revenue budget for 2017/18
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Personnel

1. Number of staff (current and additional): -
 2. If from existing staff resources, number of staff hours: -
-

Legal

1. Legal Requirement: Statutory Requirement:
 2. Call-in: Not Applicable:
-

Procurement

1. Summary of Procurement Implications: Improves the Council's approach to contract management
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Customer Impact

1. Estimated number of users/beneficiaries (current and projected): N/A
-

Ward Councillor Views

1. Have Ward Councillors been asked for comments? N/A
2. Summary of Ward Councillors comments: N/A

3. COMMENTARY

Contracts Register Background

- 3.1 The Council has 230 active contracts with a Total Contract Value (TCV) greater than £50k.
- 3.2 The appended Contracts Register details key information concerning the 21 contracts in the Environment Portfolio (as of 21 November 2017).
- 3.3 The Register is generated from the Council's Contracts Database (CDB) which is administered by Commissioning & Procurement Directorate and populated by the relevant service managers (Contract Owners) and approved by their managers (Contract Approvers).
- 3.4 As a Commissioning Council, this information is vital to facilitate a full understanding of the Council's procurement activity and registers are reviewed by the Commission Board, the Corporate Leadership Team, and Contracts Sub-Committee as appropriate.
- 3.5 New registers will be produced four times a year – though the database itself is always 'live'.
- 3.6 Each PDS committee is expected to undertake detailed scrutiny of its contracts – including scrutinising suppliers – and hold the Portfolio Holder to account on service quality and procurement arrangements.

Contract Register Summary

- 3.7 The table below summarises key data from the 230 contracts contained in November 2017's £50k+ Contracts Register Report (which covers all six Portfolios).

All Portfolios

Issue	Data	September 2017	November 2017
Contracts (>£50k)	All Portfolios	265	230
Flagged as a concern 	All Portfolios	11	14
Contracts by Portfolio	Care Services	106	91
	Environment	20	21
	Education, Children & Families	60	43
	Public Protection & Safety	6	6
	Renewal & Recreation	19	14
	Resources	54	55
TOTALS		265	230
Contracts by Risk Index	Red	19	17
	Amber	95	77
	Yellow	123	103
	Green	28	33
TOTALS		265	230
Contracts by Procurement Status	Red	96	91
	Amber	73	55
	Yellow	29	26
	Green	67	58
TOTALS		265	230

- 3.8 There are fewer contracts in the November 2017's combined PDS Register (230) compared with September 2017 (265) because some services have been consolidated into single contracts and some contracts have expired. For information, there are currently 264 expired contracts (all values) in the CDB, which helps to improve the Council's corporate memory.
- 3.9 Key information, for this Portfolio, extracted from November's £50k+ Contracts Register.

Issue	Data	September 2017	November 2017
Contracts	£50k+	20	21
Concern Flag		11	10
Risk Index	Red	7	7
	Amber	6	6
	Yellow	5	5
	Green	2	3
Portfolio Total		20	21
Procurement Status	Red	4	14
	Amber	10	2
	Yellow	2	1
	Green	4	4
Portfolio Total		20	21

Environment Portfolio has 21 (9%) of the Council's 230 contracts (valued at greater than £50k)

Contract Register Key

- 3.10 A key to the Contracts Register is set out in the table below.

Register Category	Explanation
Risk Index	Colour-ranking system reflecting eight automatically scored and weighted criteria providing a score (out of 100) / colour reflecting the contract's intrinsic risk
Contract ID	Unique reference used in all related committee reports and authorisations
Owner	Manager/commissioner with day-to-day budgetary / service provision responsibility
Approver	Contract Owner's manager, responsible for approving data quality
Contract Title	Commonly used or formal title
Supplier	Main contractor or supplier responsible for service provision
Portfolio	Relevant Portfolio for receiving procurement, contract monitoring and budget monitoring reports
Total Value	Total Contract Value i.e. the contract's value from commencement to expiry of formally approved period (i.e. exc. any extensions which have yet to be approved)
Original Annual Value	Value of the contract its first year (which may be difference from the value in subsequent years, due to contract start-up costs etc)
Budget	Approved budget for the current financial year. May be blank due to: finances being reported against another contract; costs being grant-funded, complexity in the finance records e.g. capital (also applies to Projection)
Projection	The expected spend by the end of the current financial year
Procurement Status	Automatic ranking system (green, yellow, amber, red) based on value and proximity to expiry designed to alert Owners to take procurement action. Red ragging typically means the contract is nearing expiry and is not a criticism (as all contracts will ultimately become red).
Start & End Dates	Approved contract start date and end date (excluding any extension which has yet to be authorised)
Months duration	Contract term in months
Attention 	Red flag denotes Commissioning & Procurement Directorate's concern regarding procurement arrangements (also see C&P Commentary)

Commentary	Contract Owners provide a comment where either the Risk Index or Procurement Status is ragged red or amber. Commissioning & Procurement Directorate may add an additional comment for Members' consideration if appropriate <i>The Commentary only appears in the Part 2 version of the register</i>
Capital	Most of the Council's contracts are revenue-funded but capital contracts are separately identified (and listed at the foot of the Contracts Register) because different reporting / accounting rules apply

Contract Register Order

- 3.11 The Contracts Register is output in Risk Index order. It is then ordered by Procurement Status, Portfolio, and finally Contract Value. Capital contracts appear at the foot of the Register and contracts of concern (to Commissioning & Procurement Directorate) are flagged at the top.

4. IMPACT ON VULNERABLE ADULTS & CHILDREN

- 4.1 The Corporate Contracts Register covers all Council services: both those used universally by residents and those specifically directed towards vulnerable adults and children. Addressing the impact of service provision on the vulnerable is a matter for the relevant procurement strategies, contracts, and delivery of specific services rather than this summary register.

5. POLICY IMPLICATIONS

- 5.1 The Council's renewed ambition for the borough is set out in the 2016-18 update to [Building a Better Bromley](#) and the Contracts Database (and associated Contract Registers) help in delivering all of the aims but especially in delivering the aim of being an 'Excellent Council'. For an 'Excellent Council', this activity specifically helps by 'ensuring good contract management to ensure value-for-money and quality services'.

6. PROCUREMENT IMPLICATIONS

- 6.1 Most of the Council's (£50k plus) procurement spend is now captured by the Contracts Database. The database will help in ensuring that procurement activity is undertaken in a timely manner, that Contract Procedure Rules are followed, and that Members are able to scrutinise procurement activity in a regular and systematic manner.

7. FINANCIAL IMPLICATIONS

- 7.1 The Contracts Database and Contract Registers are not primarily financial tools – the Council has other systems and reports for this purpose such as FBM and the Budget Monitoring reports. However, the CDB and registers do contain financial information both in terms of contract dates and values and also budgets and spend for the current year.

8. PERSONNEL IMPLICATIONS

- 8.1 There are no direct personnel implications but the Contracts Database is useful in identifying those officers directly involved in managing the Council's contracts.

9. LEGAL IMPLICATIONS

- 9.1 There are no direct legal implications but the Contracts Database does identify those contracts which have a statutory basis and also those laws which should be complied with in delivering the contracted services.

9.2 A list of all (irrespective of value) the Council's contracts may be found on Bromley.gov.uk to aid transparency.

Non-Applicable Sections:	None
Background Documents: (Access via Contact Officer)	Contracts Register Reports to Contracts Sub-Committee