

London Borough of Bromley

Report No.
ES20069

PART ONE - PUBLIC

Decision Maker: **Public Protection and Enforcement PDS Committee**

Date: **16th March 2021**

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

Title: **Contract Register**

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Chief Officer: Colin Brand, Director of Environment & Public Protection

Ward: All Wards

1. Reason for report

- 1.1 This report presents an extract from February 2021's Contracts Register for detailed scrutiny by PDS Committee – all PDS committees will receive a similar report each contract reporting cycle, based on data as at 26th January and presented to E&RC PDS on 3rd February 2021.
- 1.2 There is no accompanying 'Part 2' of this agenda, as any relevant commentary has been included in the Part 1 report.

2. RECOMMENDATIONS

That the PDS Committee:

- 2.1 **Reviews the appended £50k Contracts Register (which also forms part of the Council's commitment to data transparency).**

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:
-

Financial

1. Cost of proposal: - N/A
 2. Ongoing costs: - N/A
 3. Budget head/performance centre: Public Protection and Enforcement Portfolio
 4. Total current budget for this head: - £2.48m
 5. Source of funding: - Existing controllable revenue budget for 2020/21
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Personnel

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

Legal

1. Legal Requirement: Statutory Requirement:
 2. Call-in: Not Applicable:
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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 Contracts Database (CDB) is fully utilised by all Contract Managers across the Council as part of their Contract Management responsibilities, which includes the updating the information recorded on the database. The Register is generated from the Contracts Database which is administered by Commissioning & Procurement Directorate and populated by the relevant service managers (Contract Owners) and approved by their managers (Contract Approvers).
- 3.2 As a Commissioning Council, this information is vital to facilitate a full understanding of the Council's procurement activity and the Contracts Register is a key tool used by Contract Managers as part of their daily contract responsibilities. The Contract Registers are reviewed by the Procurement Board, Chief Officers, Corporate Leadership Team, and Contracts Sub-Committee as appropriate
- 3.3 The Contracts Register is produced four times a year for members– though the CDB itself is always 'live'.
- 3.4 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

- 3.5 The Council has 226 active contracts covering all portfolios as of 26th January 2021 for the February reporting cycle as set out in Appendix 1.

Public Protection and Enforcement

| Item | Category | September 2020 | November 2020 | February 2021 |
|--------------------|--------------|----------------|---------------|---------------|
| Total Contracts | £50k+ | 6 | 6 | 6 |
| Concern Flag | Concern Flag | 0 | 0 | 0 |
| | | | | |
| Risk Index | Red | 0 | 0 | 0 |
| | Amber | 1 | 1 | 1 |
| | Yellow | 3 | 4 | 4 |
| | Green | 2 | 1 | 1 |
| Total | | 6 | 6 | 6 |
| Procurement Status | Red | 2 | 0 | 0 |
| | Amber | 0 | 2 | 3 |
| | Yellow | 1 | 1 | 0 |
| | Green | 3 | 3 | 3 |
| Total | | 6 | 6 | 6 |

- 3.6 Contracts may be flagged for attention due to the tight timescales for tender (rather than any performance issues associated with the delivery of the contract). During this contract cycle, there are no contracts flagged for attention.
- 3.7 Bromley Markets Assembly has been moved to the Environment and Community Services Portfolio on the Contracts Database and will not appear under this portfolio in the next report.

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 is set out in the 2016-18 [Building a Better Bromley](#) document and the Contracts Database (and Contract Registers) help in delivering the aims (especially in delivering the 'Excellent Council' aim). 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 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 the Council's active contracts may be found on Bromley.gov.uk to aid transparency (this data is updated after each Contracts Sub-Committee meeting).

| | |
|---|--|
| Non-Applicable Sections: | None |
| Background Documents: (Access via Contact Officer) | <ul style="list-style-type: none">• Appendix 1 – Key Data (All Portfolios)• Appendix 2 - Contracts Database Background information• Appendix 3 – Contracts Database Extract PART 1 |


Appendix 1: Key Data (All Portfolios)

| Item | Category | September 2020 | November 2020 | February 2021 |
|-----------------------|------------------------------------|----------------|---------------|---------------|
| Contracts (>£50k TCV) | All Portfolios | 213 | 220 | 223 |
| Flagged as a concern | All Portfolios | 2 | 0 | 4 |
| Capital Contracts | All Portfolios | 4 | 3 | 7 |
| | | | | |
| Portfolio | Executive, Resources and Contracts | 57 | 56 | 57 |
| | Adult Care and Health | 73 | 73 | 74 |
| | Environment and Community Services | 14 | 16 | 16 |
| | Children, Education and Families | 36 | 39 | 40 |
| | Renewal and Recreation and Housing | 27 | 30 | 30 |
| | Public Protection and Enforcement | 6 | 6 | 6 |
| Total | | 213 | 220 | 223 |
| Risk Index | Red | 14 | 17 | 17 |
| | Amber | 70 | 75 | 78 |
| | Yellow | 84 | 83 | 86 |
| | Green | 45 | 45 | 42 |
| Total | | 213 | 220 | 223 |
| Procurement Status | Red | 84 | 77 | 83 |
| | Amber | 22 | 21 | 20 |
| | Yellow | 20 | 20 | 30 |
| | Green | 87 | 102 | 90 |
| | Imminent | 3 | 2 | 3 |
| Total | | 216 | 222 | 226 |

Appendix 2 - Contracts Register Key and Background Information

Contract Register Key

1.1 A key to understanding the Corporate Contracts Register is set out in the table below.

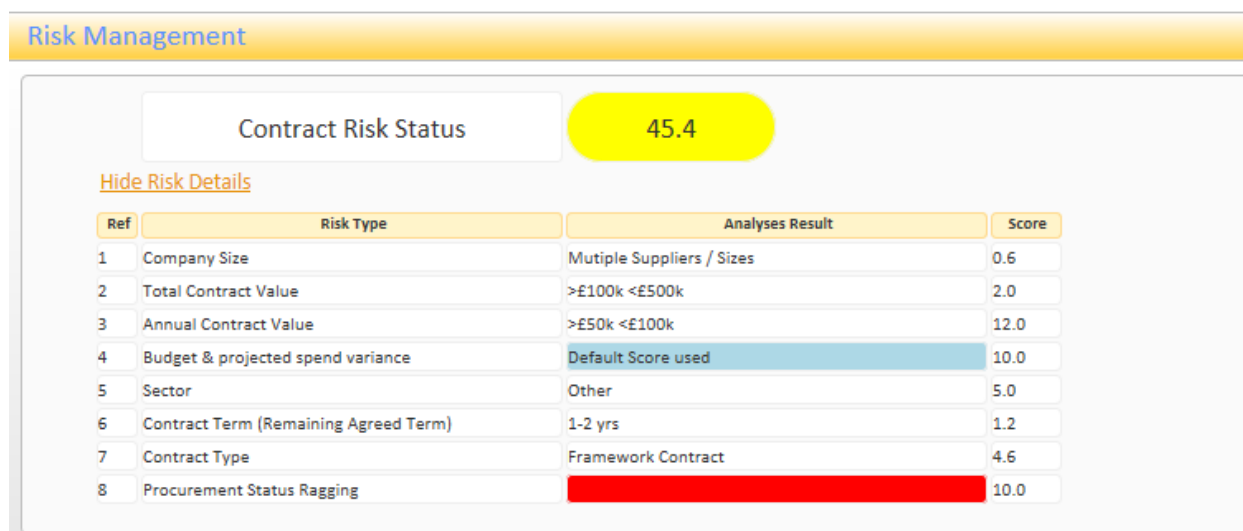
| Register Category | Explanation |
|--|---|
| Risk Index | Colour-ranking system reflecting eight automatically scored and weighted criteria providing a score (out of 100) / colour reflecting the contract's intrinsic risk |
| Contract ID | Unique reference used in contract authorisations |
| Owner | 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 of service / contract |
| Supplier | Main contractor or supplier responsible for service provision |
| Portfolio | Relevant Portfolio for receiving procurement strategy, contract award, contract monitoring and budget monitoring reports |
| Total Contract Value | The contract's value from commencement to expiry of formally approved period (excludes any extensions yet to be formally approved) |
| Original Annual Value | Value of the contract its first year (which may be difference from the annual value in subsequent years, due to 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 | Expected contract spend by the end of the current financial year |
| Procurement Status | Automatic ranking system based on contract value and proximity to expiry. This is designed to alert Contract Owners to take procurement action in a timely manner. Red ragging simply means the contract is nearing expiry and is not an implied criticism (indeed, all contracts will ultimately be ragged '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 indicates that there are potential issues, or that the timescales are tight and it requires close monitoring. (also see C&P Commentary in Part 2) |
| Commentary | Contract Owners provide a comment – especially where the Risk Index or Procurement Status is ragged red or amber. Commissioning & Procurement Directorate may add an additional comment for Members' consideration <i>The Commentary only appears in the 'Part 2' Contracts Register</i> |
| Capital | Most of the Council's contracts are revenue-funded. Capital-funded contracts are separately identified (and listed at the foot of the Contracts Register) because different reporting / accounting rules apply |

Contract Register Order

1.2 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.

Risk Index

- 1.3 The Risk Index is designed to focus attention on contracts presenting the most significant risks to the Council. Risk needs to be controlled to an acceptable level (our risk appetite) rather than entirely eliminated and so the issue is how best to assess and mitigate contract risk. Contract risk is assessed (in the CDB) according to eight separate factors and scored and weighted to produce a Risk Index figure (out of 100). These scores are ragged to provide a visual reference.



Procurement Status

- 1.4 A contract's Procurement Status is a combination of the Total Contract Value (X axis) and number of months to expiry (Y axis). The table below is used to assign a ragging colour. Contracts ragged red, amber or yellow require action – which should be set out in the Commentary. Red ragging simply means the contract is nearing expiry and it is not an implied criticism (indeed, all contracts will ultimately be ragged 'red').

| Procurement / Commissioning Status | | | | | | |
|------------------------------------|-----------|------------|--------------|---------------|---------------|--|
| Period | 3 months | | | | | |
| | 6 months | | | | | <div>Requires an agreed plan</div> <div>Develop / test options</div> <div>Consider options</div> <div>No action required</div> |
| | 9 months | | | | | |
| | 12 months | | | | | |
| | 18 months | | | | | |
| | | £5k - £50k | £50k - £100k | £100k - £173k | £173k - £500k | >£500k |
| Total Contract Value | | | | | | |