

London Borough of Bromley

Report No.

ES20142

PART ONE - PUBLIC

Decision Maker: Environment and Community Services PDS Committee

Date: 19th January 2022

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 November 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 29 October 2021 and presented to ER&C PDS on 18 November 2021.
- 1.2 There is no accompanying 'Part 2' of this agenda, as any relevant commentary has been included in the Part 1 report.
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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:
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Financial

1. Cost of proposal: - N/A
 2. Ongoing costs: - N/A
 3. Budget head/performance centre: Environment and Community Services Portfolio
 4. Total current budget for this head: - £32.9m
 5. Source of funding: - Existing controllable revenue budget for 2021/22
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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
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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
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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 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 207 active contracts covering all portfolios as of 29 October 2021 for the November 2021 reporting cycle as set out in Appendix 1.

Environment and Community Services

Item	Category	May 2021	September 2021	November 2021
Total Contracts	£50k+	19	18	19
Concern Flag	Concern Flag	0	0	0
Risk Index	Higher Risk	8	7	8
	Lower Risk	11	11	11
Procurement Status for Contracts approaching end date	Red	0	0	0
	Amber	0	2	2
	Green	5	2	3
	Neutral	14	14	14

- 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 The Market Assembly contract (contract ID 4955) expires on 31st December 2021. The Procurement status for this contract was Amber; the RAG criteria is as set out in the appendix to the report and in this case remains as amber due to the very low value and therefore low risk associated with this small contract. The RAG is not determined by officers within the service. The extract shown is from the Contracts Database and criteria are automatically set within the system. The tendering exercise was unsuccessful at identifying a suitable service

provider via a competitive bid and a direct award to the incumbent provider was then sought and was approved by the ECS Portfolio Holder and ECS PDS.

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 2021- 2031 [Making Bromley Even Better](#) 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	May 2021	September 2021	November 2021
Contracts (>£50k TCV)	All Portfolios	211	192	207
Flagged as a concern	All Portfolios	2	2	0
Portfolio	Executive, Resources and Contracts	48	49	59
	Adult Care and Health	72	40	48
	Environment and Community Services	19	18	19
	Children, Education and Families	36	39	37
	Renewal and Recreation and Housing	31	41	39
	Public Protection and Enforcement	5	5	5
Risk Index	Higher Risk	85	61	69
	Lower Risk	129	131	138
Procurement Status for Contracts approaching end date	Red	2	2	0
	Amber	46	12	23
	Green	51	62	58
	Neutral	112	116	126

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.

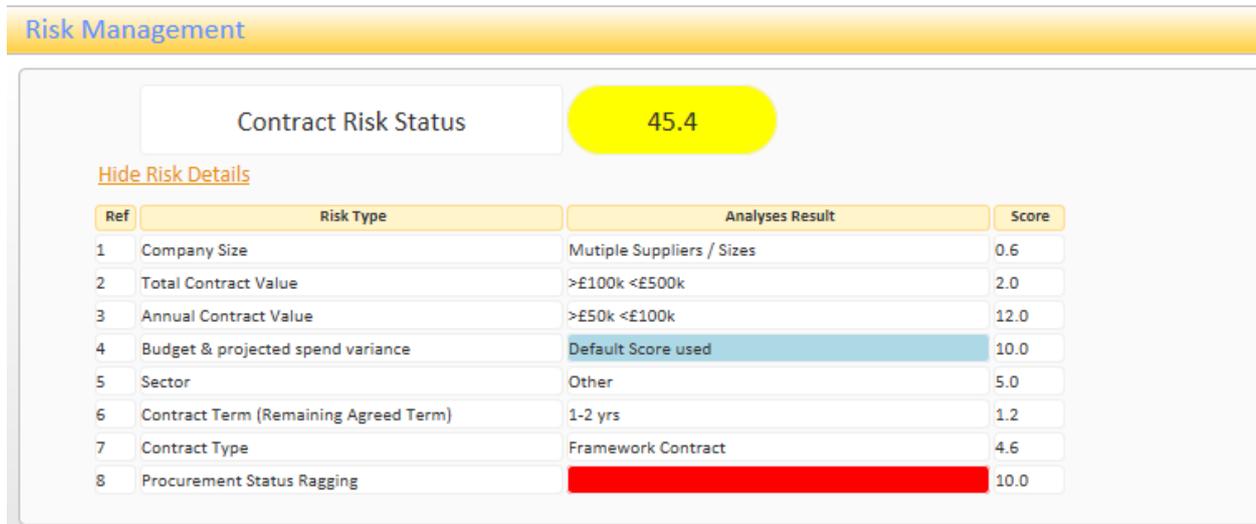
Register Category	Explanation
Risk Index	Colour-ranking system reflecting eight automatically scored and weighted criteria providing a score (out of 100) / colour reflecting the contract's intrinsic risk
Contract ID	Unique reference used in contract authorisations
Owner	Manager/commissioner with day-to-day 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						<div style="display: flex; align-items: center;"> <div style="width: 20px; height: 20px; background-color: red; margin-right: 5px;"></div> Requires an agreed plan <div style="width: 20px; height: 20px; background-color: yellow; margin-right: 5px;"></div> Develop / test options <div style="width: 20px; height: 20px; background-color: orange; margin-right: 5px;"></div> Consider options <div style="width: 20px; height: 20px; background-color: green; margin-right: 5px;"></div> No action required </div>
	6 months						
	9 months						
	12 months						
	18 months						
		£5k - £50k	£50k - £100k	£100k - £173k	£173k - £500k	>£500k	
		Total Contract Value					