

Decision Maker: **EXECUTIVE, RESOURCES & CONTRACTS PDS COMMITTEE**

Date: **5 October 2022**

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

Title: **Corporate Contract Register**

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Ward: All Wards

1. Reason for report

- 1.1 This report presents September 2022's Corporate Contracts Register for consideration.
 - 1.2 Detailed scrutiny of individual contracts is the responsibility of the six PDS Committees but ER&C PDS takes an overview of the Council's larger value (£200k+) contracts to ensure that commissioning and procurement activity is progressed in a consistent manner. This report provides both the Council wide £200k+ register together with the £50k+ register specific to the ER&C Portfolio.
 - 1.3 The Contracts Register presented in 'Part 2' of this agenda includes a commentary on each contract to inform Members of any issues or developments.
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2. RECOMMENDATIONS

That the Executive, Resources and Contracts PDS Committee:

- 2.1 Notes that the appended Part 1 Contract Register forms part of the Council's commitment to data transparency. The Part 2 Contract Register includes commentary some of which may be commercially sensitive.
- 2.2 Notes the content of this report and the accompanying Part 2 report.

Impact on Vulnerable Adults and Children

1. Summary of Impact: The Corporate Contracts Register covers all Council services: both those used by all 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 service delivery rather than this summary register.
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Corporate Policy

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

1. Cost of proposal:
 2. Ongoing costs: - N/A
 3. Budget head/performance centre:
 4. Total current budget for this head:
 5. Source of funding:
-

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
-

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

Corporate & PDS Contracts Registers

- 3.1 The appended Corporate Contracts Register details key information on the Council's 146 active contracts with a Total Contract Value (TCV) greater than £200k, as of 31 August 2022 when the database snap-shot was taken. Each PDS committee meeting will receive an extract from the CDB of its active contracts with a TCV greater than £50k.
- 3.2 The Register is generated from the Contracts Database (CDB), which is administered by the Corporate Procurement Directorate but populated by the relevant Contract Managers.
- 3.3 As a Commissioning Council, this information is vital to facilitate an accurate, comprehensive and up-to-date understanding of the Council's procurement activity, opportunities and costs.
- 3.4 The reports have been updated, upon request from Members, to show additional commentary in the Part 2 report to indicate the inflation mechanism for each contract. This has been completed as far as possible; any gaps are expected to be completed in subsequent reports. Any gaps are either because the inflation mechanism is not relevant (the contract is expected to end or be retendered) or because further information needs to be obtained from the Contract Owner.
- 3.5 Similarly, a column has been added so that the information in both Part 1 and Part 2 Registers shows not only the original Annual Value of each contract but also the current estimated Annual Value for the current contract year (this may differ from the usual financial year). Collection of this information is reliant upon Contract Owner input and there are gaps in this first round of reporting. These will reduce in future reports.
- 3.6 A full list of the Council's active contracts held on the Contracts Database (irrespective of value) will be uploaded to Bromley.gov.uk immediately following this meeting as part of the Council's ongoing commitment to data transparency.
- 3.7 The next Contracts Register will be presented to Members in November 2022.

Contract Register Summary

- 3.8 As you will see from the latest Contracts Database Register (attached) as at 31 August 2022 the Council had 146 active contracts with a Total Contract Value of £200k and above, of which 0 have been flagged as a concern. The Part 2 report provides commentary on any flagged contracts.

Item	Category	February 2022	May 2022	September 2022
Contracts (>£200k TCV)	All Portfolios	132	135	146
Flagged as a concern	All Portfolios	3	0	0
Capital Contracts	All Portfolios	1	4	3
Portfolio	Adult Care and Health	42	40	39
	Executive, Resources and Contracts	26	30	42
	Public Protection and Enforcement	5	6	5
	Renewal and Recreation and Housing	29	32	30
	Children, Education and Families	17	14	17
	Environment and Community Services	13	13	13
Risk Index	Higher Risk	63	68	72
	Lower Risk	69	67	74
Procurement Status (RAG rated where contracts are approaching end)	Red	3	0	0
	Amber	10	11	10

date)	Green	44	45	52
	Neutral	75	79	84

3.9 Contract Owners and Directors keep any flagged contracts under review.

3.10 For the Executive, Resources and Contracts Portfolio as 31 August 2022 the Portfolio had 79 Contracts with a Total Contract Value of £50k and above, with 0 flagged for the attention of the Contract Owner.

Executive, Resources and Contracts

Item	Category	February 2022	May 2022	September 2022
Total Contracts	£50k+	60	63	79
Concern Flag	Concern Flag	1	0	0
	Higher Risk	9	9	11
	Lower Risk	51	54	68
Procurement Status for Contracts approaching end date	Red	1	0	0
	Amber	1	6	11
	Green	21	14	18
	Neutral	37	43	50

3.11 Appendix 1 sets out a Key to the Contracts Register, explaining the meaning of RAG ratings such as Procurement Status.

3.12 For all contracts flagged by the Register as approaching their end date, a commentary on the status of the contract is provided by the Contract Owner and the Corporate Procurement team. In addition, a manual RAG rating is assigned by the Assistant Director Governance & Contracts to all relevant contracts to reflect the status of the contract. The definitions of the manual RAG ratings are as follows:

- Red – as per the current Flagged For Attention status; there are potential issues with the contract or the timescales are tight and it requires close monitoring. For example, a decision on a procurement action is past due or there is a risk that procurement action cannot be completed before the contract end date;
- Amber – appropriate procurement action is either in progress or should be commencing shortly. For example, a tender is underway or an authorisation to extend a contract needs to be in place shortly. Progress needs to be monitored but there are not necessarily any issues;
- Green – appropriate procurement action has been successfully taken (and there should be no issues other than mobilisation as necessary) or there is still sufficient time to commence and complete a procurement action. For example, a tender has been completed and contract award approved; or an extension option has been authorised; or there is still significant time remaining before action needs to commence.
- Neutral – the contract has not been flagged by the Database as approaching it's end date. No commentary or RAG rating is required at this time.

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 [Making Bromley Even Better 2021 - 2031](#) and the Contracts Database (and Contract Registers) help in delivering the aims (especially in delivering Ambition Five – Resources & Efficiencies). For Ambition Five, this activity specifically helps by supporting 'robust and active contract management'.

6. PROCUREMENT IMPLICATIONS

6.1 Officers are required to update the Database with information on contracts with a TCV greater than £50k (officers may also add contracts with a TCV greater than £5k). The Database helps to ensure that procurement activity is undertaken in a timely manner, that Contract Procedure Rules are followed and that Members can systematically scrutinise procurement activity.

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. That said, the CDB and associated Registers do contain financial information such as contract dates and values .

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 identifies 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 PDS meeting).

Non-Applicable Sections:	None
Background Documents: (Access via Contact Officer)	Appendix 1 –Contracts Database Background information Appendix 2 – Contracts Database and PDS Extract PART 1

Contract Register Key

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

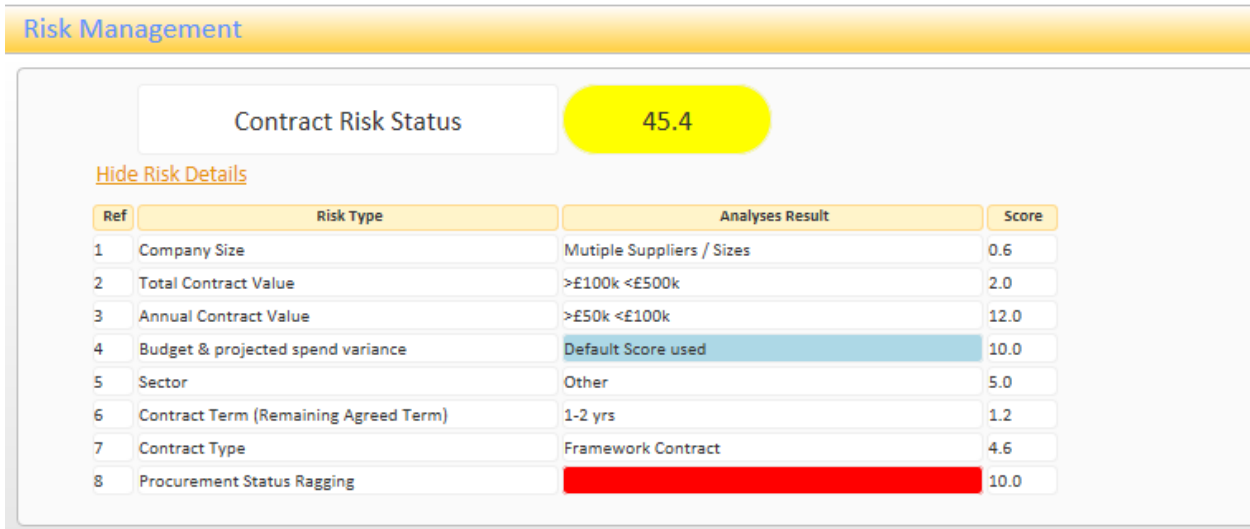
Register Category	Explanation
Risk Index	Ranking system reflecting eight automatically scored and weighted criteria providing a score (out of 100) reflecting the contract's intrinsic risk – reported as either Higher Risk or Lower Risk
Contract ID	Unique reference used in contract authorisations
Owner	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.)
Procurement Status	<p>For all contracts automatically ranked by the Database as approaching their end date, a manual RAG rating is assigned by the Assistant Director Governance & Contracts to reflect the status of the contract. The RAG ratings are as follows:</p> <p>Red – there are potential issues with the contract or the timescales are tight and it requires close monitoring.</p> <p>Amber – appropriate procurement action is either in progress or should be commencing shortly.</p> <p>Green – appropriate procurement action has been successfully taken or there is still sufficient time to commence and complete a procurement action.</p>
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 or Red RAG indicates that there are potential issues, or that the timescales are tight and it requires close monitoring. Further commentary may be provided in the Part 2 report.
Commentary	<p>Contract Owners provide a comment where contracts approach their end date. Corporate Procurement may add an additional comment for Members' consideration</p> <p><i>The Commentary only appears in the 'Part 2' Contracts Register</i></p>
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 ordered by Procurement Status, Portfolio, and finally Contract Value. Capital contracts appear at the foot of the Register and 'contracts of concern' (to Corporate Procurement) 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). The Risk Index is reported as either 'Higher Risk' or 'Lower Risk'.



Procurement Status

- 1.4 The Database will highlight contracts approaching their end date through a combination of the Total Contract Value and number of months to expiry . For all contracts highlighted by the Database as potentially requiring action soon, a commentary is provided on the status of the contract and a manual RAG rating is assigned.