



	Committee Report
Date:	27 June 2012
Subject:	Annual Contracts Review - 2011/12

Summary

1. This report forms the Annual Corporate Contracts Monitoring Report which is a requirement under the City Council's Procurement Code for the award, management and monitoring of contracts.
2. 76 contracts over the value of £150,000 and 45 contracts with a value of less than £150,000 were let in 2011/12 as indicated in appendix A. There were 99 extensions and variations of existing contracts as highlighted in Appendix B. The performance of live contracts in 2011/12 is shown in Appendix D. Appendix C shows those contracts, totalling 69, which were let through a waiver to the City Council's Procurement Code.

Recommendations

3. It is recommended that the Audit and Performance Committee note the contents of this report.



City of Westminster

Committee report

Date: **27 June 2012**

Classification: For General Release

Title of Report: **Annual Contracts Review 2011/12**

Report of: Chief Procurement Officer

Wards involved: N/A

Policy context: Management of Council Services

Financial summary: The annual spend associated with the contracts monitored by the City Council is approximately £254 million.

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1. Background

- 1.1. It is a requirement of the City Council's Procurement Code that an annual corporate contracts monitoring report must be submitted to the Audit & Performance Committee.
- 1.2. The format of reporting focuses on the Strategic Executive Board, as the SEB members are responsible for the overall management of the Council, for setting and monitoring overall direction, ensuring high performance and for overall risk and reputation management. Cabinet portfolios have been designed to create parallel responsibilities where possible.
 - Chief Executive: Mike More
(Head of Paid Service; Communications; Customer Services; Legal and Democratic Services; Human Resources; Sports, Leisure and Wellbeing).
 - Tri-borough Executive Director of Children's Services: Andrew Christie
(Children's Services Commissioning function, including Social Care and Family Support Services; a single Education Commissioning function and borough based provision protecting children and supporting families).
 - Tri-borough Executive Director of Adult Social Care Services: Andrew Webster
(Adult Social Care Services).
 - Strategic Director for the Built Environment: Rosemarie MacQueen
(Leading on planning, environment, transportation and development policy, economic development and regeneration; urban design and conservation; public realm improvement; development and highway management, planning enforcement and building control).
 - Strategic Director for City Management: Leith Penny
(Care of the city's streets; the regulation of premises; special events; parks; parking enforcement and waste management).
 - Strategic Director for Housing, Regeneration and Worklessness: Ben Denton
(Management of homes, including social rented homes and overseeing rough sleeping; temporary accommodation; housing enforcement and programmes to provide routes to employment for local residents. Leads the Council's housing renewal programme which brings together delivering new homes, improving retained homes, environmental improvements and social and economic programmes).
 - Chief Operating Officer: Barbara Moorhouse (Finance; Policy, Planning and Performance; Transformation and Projects).
- 1.3. This report is a summary of contract data provided by each Nominated Authorised Officer, and from the minutes of Gate Review Panel meetings. Following consideration by members of the Audit and Performance Committee. The report will be submitted to the Cabinet Member for Finance and Customer Services, only if required under their Terms of Reference eg "To maintain an overview of overall contract performance on behalf of the City Council".

2. Procurement Governance

- 2.1. The award and management of contracts has been governed by the City Council's Procurement Code.
- 2.2. In October 2009 the creation of a Procurement & Supplier Relationship Management strategic support unit brought together Council Officers whose significant role was to either procure goods, works and services or contract manage existing and new contracts.
- 2.3. In January 2010 the implementation of a Gate Review process strengthened the challenge through Peer Group reviews. Peer groups oversee the procurement of contracts up to £150,000 and are made up of a combination of appropriate officers such as Commissioners, Category Managers and Finance Business Partners. The minimum requirement is set out in the Procurement Code, but other appropriate officers can be included.
- 2.4. The Gate Review Panel is a senior officer group responsible for overseeing contract letting and management within the City Council on contracts over £150,000. The panel is chaired by the Chief Procurement Officer and is made up of officers from the following areas of the City Council:
 - Procurement
 - Finance
 - Legal Services
 - Property
 - Information Services
 - Corporate ContractsThe panel continues to provide strategic advice and defines and disseminates best practice.
- 2.5. In August 2011 a Chief Procurement Officer was appointed. This role included the implementation of a "Procurement/Commercial Foundations" project to introduce a new operating model. This would provide a platform for improving procurement and corporate contracts management, with more professional and commercial focus and new best practice (standardised) processes and systems.
- 2.6. The key outputs are as follows:
 - Alignment of Support team with Procurement to create a single entity reporting into Head of Strategic Procurement
 - Support team to be focussed on: Process; Systems; Compliance; Contracts Register/Sourcing Plan/Pipeline
 - Procurement to adopt category management principles with team members becoming responsible for organisationally aligned categories as well as cross organisation categories
 - Increased commercial capability
 - Enterprise procurement to be aligned with Procurement team to support category management approach
 - Supplier Relationship Management to be renamed Corporate Contracts, with their focus being to continue to support the Vertex contract. They will

also review the opportunity to support other corporate contracts and Tri-Borough contracts.

2.7. The “Procurement/Commercial Foundations” project is proceeding in line with project timescales, and the Chief Operating Officer receives regular updates. Four main workstreams were identified which are being led by officers within Strategic Procurement and Corporate Contracts. These workstreams are as follows:

- Category Management – Putting in place a new category management approach with associated Toolkit.
- Management Information and Technology – Putting in place an e-sourcing tool which will enable Category Managers to have access to management information and reports, including contract performance management and supplier relationship management.
- Procurement Code and Governance – Putting in place a revised Procurement Code and Gate Review Process to reflect the Category Management process.
- Developing Capability – Looking at ways of supporting the Strategic Procurement and Corporate Contracts team through training and objectives setting.

3. Contracts commenced in 2011/12

3.1. In 2011/12, of the 121 contracts awarded (including revenue earning contracts), 76 contracts had a value of more than £150,000 and 45 had a value under £150,000. Details of these contracts are provided in Appendix A which shows a breakdown of the number and value of contracts awarded.

3.2. 69 waivers of the Procurement Code were approved which address the following circumstances:

- Where there is only one supplier within the market;
- Where the procurement activity is grant funded and the supplier is named as a condition of that funding;
- Where the City Council are buying goods on behalf of another organisation and those goods will remain on their asset register;
- Where the City Council are matching grant funding and the original grant has been given conditional on the use of a named supplier;
- Where the City Council have required an applicant for a grant to provide a detailed breakdown of their costs and in order to do so they have identified a supplier;
- Where services need to be procured as a matter of extreme urgency and there is insufficient time to advertise and carry out a procurement exercise;
- Where software is being procured which must be compatible with an existing Information Services system;
- Where the value of a Purchase Order has been exceeded and the requirements of the Procurement Code, with regard to the number of competitive bids, has not been met subsequently.

4. Contracts extended and/or varied in 2011/12

4.1 Appendix B gives an overview of the 73 extensions and 26 variations that were made to live contracts. This section deals with some of the more significant extensions (64% of the total number of extensions) and variations (19% of the total number of variations) in detail, and contains extracts from the reports which were approved.

Children's Centres, Youth & Young People's and Family Support Services

4.2 A report to Cabinet Member in April 2011 seeking extensions to the contracts detailed in the tables below followed completion of the City Council's Fundamental Service Reviews and the local government settlement in December 2010. This impacted significantly on funding for children's services. Officers were therefore unable to commence tendering exercises for the services due to the considerable level of uncertainty in the policy climate at that time.

4.3 Officers therefore proposed that the contracts should be extended further for the following periods linked directly to the milestones in the project plans.

- Children's Centres Services – 31 March 2013
- Youth & Young People's Services – 30 September 2012
- Family Support Services – 31 March 2013

Table 1: Children's Centre Services

Service	Contractor	COST 2011-2012	Cost of extension 2012-2013
Debt Advice	Action for Children	£63,610	£63,610
Parenting support	Action for Children	£61,700	£104,000
Domestic Violence Counselling	Eaves	£102,900	£102,900
Portage support for children with disabilities	KIDS	£48,000	£48,000
Outreach services	Voluntary Action Westminster	£302,820	£302,820
Outreach and inclusive drop in Rainbow Services	WSPLD Outreach	£237,048	£237,048
Fathers Engagement	Working with Men	£75,000	£75,000
Speech and language Therapy	CLCH	£239,250	£223,000
Family Support and Crèche provision	<ul style="list-style-type: none"> • Pimlico Toy Library • Westbourne Park Family Centre • Radicle Nursery • A Moveable Feast 	£40,000 for Toy Libraries and £10,000 for crèche per locality – total: £70,000	£40,000 for Toy Libraries and £10,000 for crèche per locality– total: £70,000
TOTAL COST		£1,200,328	£1,226,378

The extensions in the table above are highlighted in yellow in Appendix B.

Table 2: Former Annual Revenue Grants

Children and Young People Organisations	Total Cost for 2011-12	Cost of Extension 2012 - 2013
Action for Children	£134,545	£134,545
Eaves Housing for Women	£40,369	£40,369
Saint Paul's Newpin Limited	£50,750	£50,750
Saint Vincent's Family Project	£19,754	£19,754
Westminster Befriend A Family	£41,200	£41,200
Westminster Carers Service	£28,512	£28,512
TOTAL	£315,130	£315,130

The extensions in the table above are highlighted in yellow in Appendix B.

Early Childhood Services Organisation	Total Cost for 2011-12	Cost of Extension 2012-2013
Cardinal Hume Centre (The)	£13,793	£6,976
Migrants Resource Centre ECS	£39,988	£19,997
Pimlico Toy Library (PTL)	£19,646	£4,912
Radicle	£44,626	£38,485
Saint Vincent's Family Project	£19,754	£19,754
Soho Family Centre Trust	£105,000	£61,250
The Pre-School Learning Alliance	£238,162	£179,541
Westbourne Park Family Centre ECS	£6,400	£1,600
LEYF	£318,781	£179,695
Westminster Society for People with learning disabilities (The)	£19,865	£4,966
TOTAL	£826,015	£517,176

The extensions in the table above are highlighted in yellow in Appendix B.

Children with Disabilities 'Portage'	Total Cost for 2011/12	Cost of Extension 2012 - 2013
KIDS	£32,000	£32,000

The extensions in the table above are highlighted in yellow in Appendix B.

Table 3: Youth Service contracts

Youth Organisation	Total Cost for 2011-12	Cost of Extension April-Sept 2012-2013
All Souls Clubhouse Youth	£50,000	£25,000
Avenues Youth Project (The)	£90,000	£45,000
Caxton Youth Organisation	£60,000	£30,000
City West Homes Youth	£65,000	£32,500
Crypt Youth Club (The)	£52,500	£26,250
DreamArts	£45,000	£22,500
Four Feathers Association	£84,000	£42,000
London Tigers Youth	£10,000	£5,000
Marylebone Bangladesh Society (MBS) Youth Club	£25,000	£12,500
North Paddington Youth Club Senior Youth Club	£50,000	£25,000
Stowe Youth Club	£100,000	£50,000
Westbourne Park Family Centre	£12,612	£6,306
Westminster Society for People with Learning Disabilities (The) - Youth	£25,000	£12,500
Working with Men	£50,000	£25,000
Total Youth	£719,112	£359,556

The extensions in the table above are highlighted in yellow in Appendix B.

Table 4 – Summary of All Tables

TABLE	DESCRIPTION	2011/12	2012/2013
Table 1	Children's Centre Services	£1,200,328	£1,226,378
Table 2	Children and Young People	£315,130	£315,130
Table 2	Early Childhood Services	£826,015	£517,176
Table 2	Children with Disabilities	£32,000	£32,000
Table 3	Youth Service Contracts	£719,112	£359,556
	TOTAL	£3,092,585	£2,450,240

4.4 The Cabinet Member for Children and Young People agreed in February 2011 to a consultation on new arrangements for Children's Centres. This closed on 18 March 2011. The consultation proposals included a transitional year in 2011/12 during which Children's Centre services would be reshaped to meet the new national agenda for Sure Start, local needs and the reduced grant available.

4.5 It was recommended that future tendering for the services, with the commitment of expenditure on new contracts, should not begin at this stage but should be deferred. This is in order for new contracts to begin once the current period of financial and political change, particularly that surrounding tri-borough, has moved to a more settled position.

4.6 All extensions will include an option to terminate and re-let after six or nine months, subject to an agreed re-let strategy and revised service specifications. Officers will produce letting strategy reports in line with project plans for Children’s Centre and Youth Services. Officers will work to agree a project plan for Family Support within which will be a timetabled letting strategy.

Housing Related Support Services – Adult’s Services

4.7 A Cabinet Member Report entitled Delivery of Housing Related Support Service Procurement Strategy 2011-2015 that was agreed in June 2011 delivered £2.6 million of the savings during 2011/12. In particular this focused on delivering savings through tendering for services, notably floating support and homeless hostel services and decommissioning.

4.8 The savings for year 2 of the strategy would be delivered principally through negotiating with providers to deliver services more efficiently, using knowledge of the market and linked to redevelopment of hostels after capital investment.

4.9 As a result of the savings achieved and for savings to be realised with current providers in future years a number of extensions are recommended as set out in Table A.

Table A - Extensions

Provider	Service	Total contract value (£)	Total value of extension	New total contract value including extension	Total savings achieved 2011/12 – 2014/15 (£)
Centrepoint	Bruce House	3,631,350	1,044,264	4,675,614	447,000
Look Ahead	Leinster Square	3,707,585	955,200	4,662,785	306,000
The Passage	Passage House	4,185,702	1,143,183	5,328,885	450,000
The Passage	Montfort House	952,352	414,162	1,366,514	(86,250)
Westminster Mind	Housing Related Support	4,204,954	1,276,857	5,481,811	300,000
Total			4,833,666		1,503,000 – 86,250 = 1,416,750

The extensions in the table above are highlighted in blue in Appendix B.

- 4.10 The proposal being implemented is to extend contracts that were due to cease in 2012 where there have been successful redevelopment of the services and savings have been delivered and this is legally possible.
- 4.11 In addition to the savings, Officers have also been in discussions with organisations about reconfiguring their services to ensure that they continue to be strategically relevant and meet the emerging needs of the client groups.
- 4.12 The extensions will achieve a total saving of £1,416,750 over the three year period.

Customer Services initiative contract with Vertex Data Science Limited

- 4.13 There were 5 significant variations to the CSi contract with Vertex Data Science Limited as summarised below:
- Re-location of the Lisson Grove contact centre to Dingwall;
 - Closure of the existing One Stop Shop facilities;
 - Withdrawal of the Home Library Service in order to bring it back in-house to create a fully integrated tri-borough service;
 - Migration of the Integrated Car Parking System solution to a new infrastructure environment.
 - Transfer of Commercial Waste Services to Veolia.

The variations referred to above are highlighted in green in Appendix B.

5. Overall Contractual Performance of 'Live' Contracts Over £150,000 during 2011/12

- 5.1. Nominated Authorised Officers are required to complete a standard monitoring and evaluation appraisal form for all contracts over £150,000 on a six monthly basis (as a minimum). Monitoring reports may be completed monthly, quarterly or other term basis, whatever is considered appropriate to the contract and its required outcomes.
- 5.2. Contractor performance is assessed using the four point category scoring system shown below:
- 4 = Performance was acceptable/good and in some areas exceeded the specified/expected level of performance;
 - 3 = Performance was consistent and acceptable, i.e. at the specified/expected level of performance;
 - 2 = Performance was acceptable but on occasion or in certain areas fell below the specified/expected levels of performance;
 - 1 = Performance was unacceptable, i.e. below the specified/expected level in several areas of the contract.
- 5.3. This report highlights the performance of contracts worth more than £150,000. Further information on the contract reporting is provided in Appendix D.

- 5.4. Contract information for City West Homes (CWH) is captured in this report, but it should be noted that not all CWH officers have been able to access the contracts register on Sharepoint.
- 5.5. A summary of scores is provided in Table 1, which indicates that the majority of contractors performed at the specified level of performance. The 22 instances of scores below 3 being awarded are summarised in Table 2.

Table 1: Contractual Performance for live contracts over £150,000					
	1 to 1.9	2 to 2.9	3 to 3.9	4	TOTAL
Mike More, Chief Executive					
Communications	0	0	4	1	5
Customer Services	0	1	2	0	3
Human Resources	0	0	5	0	5
Sports, Leisure and Wellbeing	0	0	1	0	1
Legal and Democratic Services	0	0	3	0	3
Andrew Christie, Children's Services					
Children's Services	0	1	31	0	32
Education Services	0	0	0	0	0
Andrew Webster, Adult Social Care Services					
Adult's Services	0	4	114	1	119
Westminster Adult Education Services	0	0	5	0	5
Rosemarie MacQueen, Built Environment					
City Planning	0	0	2	0	2
Cross River Partnership	0	0	0	0	0
Building Control	0	0	2	0	2
Transport	0	0	2	0	2
Highways management	0	0	4	0	4
Leith Penny, City Management					
Parking	0	3	3	0	6
Crime & Disorder	0	1	2	0	3
Waste Management	0	0	7	0	7
City Management	0	1	7	0	8
Parks	0	0	2	0	2
Ben Denton, Housing, Regeneration and Worklessness					
Housing	0	5	28	3	36
Property	0	0	3	0	3
Utilities	0	1	3	0	4
Facilities Management	2	0	6	0	8
Worklessness	0	0	1	0	1
Rough Sleeping	0	0	31	0	31
Barbara Moorhouse, Chief Operating Officer					
Finance	0	1	6	0	7
Information Services	0	1	13	0	14
Internal Audit	0	0	1	0	1
Strategic Procurement	0	0	0	0	0
Policy	0	0	0	0	0
Voluntary Sector Support	0	0	0	0	0
Transformation & Projects	0	0	1	0	1
David Ruse, Libraries & Culture					
Libraries & Culture	0	1	4	0	5
TOTAL	2	20	293	5	320

Contracts where performance was unacceptable

5.6. 2 contractors received a score of less than 2, and 20 contractors received a score of less than 3 in this period.

5.7. Table 2, below, provides a summary of why some contractors received a score of less than 3.

Table 2

Dept	Contracted Service – Name of Contractor	2011/12 Score	Comment on performance
Facilities Management	M&E Planned & Reactive Maintenance Non-Corporate Offices – Various contractors	1	In July 2011, Seaflame went into administration and various elements of the services contract are being carried out by their sub contractors.
Facilities Management	Mechanical and Electrical Maintenance for Administrative Buildings – Various contractors	1	In July 2011, Seaflame went into administration and various elements of the services contract are being carried out by their sub contractors.
Adult's Services	C129 - Residential Care – Norton House – Anchor Homes (Anchor Trust)	2.25	Certain areas were below standard, but were being addressed through meetings between John Higgins, Link and Norton House.
Adult's Services	Advocacy Plus	2.38	In Qtrs 2 and 3 there were serious concerns over organisational ability to deliver all services and some concerns over IT systems. The delivery organisation moved offices due to overall funding reductions. By Qtr 4, issues were being resolved.
Adult's Services	C858 - Integrated Equipment and Minor Adaptations Services - Medequip	2.67	Following a move to a new depot for issuing equipment, service delivery deteriorated significantly. An action plan was agreed with Medequip to improve performance. Performance has improved, using measurements of number of complaints, meeting delivery target times, and customer satisfaction. A final review of performance improvement will take place in Qtr 4.
Adult's Services	C859 - Residential Block Contract for People with Learning Disabilities - Westminster Society for People with Learning Disabilities	2.67	This contract provides housing services to people with learning disabilities through several different schemes. 1 scheme is currently going through an investigation for a number of safeguarding alerts which have been raised. An action plan has been put into place to address all the issues identified to have led to incidents occurring and the scheme is being monitored on a regular basis. An IOC has been presented to the Peer Group Panel for adults services.
Children's Services	C510 - Education Otherwise - City of Westminster College	2.00	Some areas of the contract were causing concern, but the contract ended on 31 Aug 2011.

Crime & Disorder	Rape Crisis Centre - Solace Women's Aid	2.33	There were long delays in receiving performance information and the quality was quite poor. WCC have been working closely with Islington Council (partnership leads) and Camden to look at ways of improving the standard of performance reports. A meeting was booked for late September to meet with the Director and manager to discuss. Referrals in Westminster were very low in Q2. Following the meeting in Q2, WCC worked very closely with the manager to look at ways of improving referrals. As a result referrals have picked up and the manager has made links with a lot of agencies to promote the service and increase referrals. The quality of the performance monitoring reports has improved and the reports are now being submitted on time.
Customer Services	Rescard & Staffcard Contract – Metropolis International (UK) Ltd	2.25	IT issues continued to impact on performance during Qtrs 1 to 3. These were due to the Sharepoint site no longer being updated; the implementation of the new LAGAN CRM system (replacing Oracle) and continuing issues with the MyWestminster application process. Significant improvements were seen during February/March as Vertex worked on ways of getting the data from LAGAN and to Metropolis on a daily basis. Reports were also amended so that data was in a more acceptable format for Metropolis to use.
Finance	C541 - eProcurement via Ariba- support by Xoomworks	2.75	Xoomworks applied a new software patch to Ariba in Qtr 4 to fix the issue of false invoice exceptions in the system. This erroneously affected the ARIBA end of period accrual journal for Period 10 which further affected the monitoring figures. The software patch was corrected and reapplied. The issue was taken up with Xoomworks to ensure that the problem does not recur and since January all period-end accruals reports were checked for accuracy before posting into WIMS.
Housing	The City of Westminster's Re:New programme - Carillion Energy Services Ltd	2.50	As at quarter 4, the contractor had failed to deliver important aspects of the specification by a milestone of 31st March. Advice was being sought from the Council's contracts solicitor, Sharpe Pritchard.
Housing	Lillington & Longmoore Gardens Estate Externals	2.00	Performance was acceptable and some areas of works (concrete repairs) were very good, contractually very hard company to work with. Always looking

			for additional costs.
Housing	External and communal refurbishment works to Ingrebourne House, Lambourne House, Pool House, Cray House and Blackwater House	2.00	Contractor very slow starting with delays becoming apparent from the start. No real physical works have started so cannot comment on quality of works.
Housing	Little Venice Towers Corridor Refurbishment	2.00	The contractor had issues with the performance of one of the sub contractors which impacted the programme. The contractors management team took ownership of the issue. There were variations to the project impacting the cost and programme.
Housing	Repair and maintenance of Pimlico District Heating undertaking's combined heat and power engines	2.00	The newly appointed contractor is having difficulty settling the engines to full electrical export through a range of mechanical and telemetry problems. For the moment generation is falling well short of target. But with damages fully compensating shortfall of electricity revenues and with the contractor mobilising a significant level of resources at his expense to attend to the matter, the PDHU team is content that performance of the engines is set to improve.
Information Services	C705 - BSF ICT Services Contract - The Westminster Local Education Partnership Limited	2.75	Following concerns raised at Strategic level, resulting in the development of a Recovery Plan, the quality of the managed service has greatly improved. Capita have continued to improve the quality of the managed service, and are steadily improving the schools' perceptions of them as a professional service provider. Meetings of the ICT Client Group have moved to the schools and Capita actively engaging on how to improve matters and introduce new services.
Libraries & Culture	Contract for the supply of library materials and associated services Lot 1 Books - Bertram Library Service	2.75	Bertrams acknowledged that Quarter 1 showed a drop in performance due to still having backlogs in their Norwich warehouse. They stated that they expected Supply to be back to normal now and should meet or exceed contract targets. Scores of 3 were awarded in subsequent quarters.
Parking	C118 - Agreement to Provide an On-Street Vehicle Network (Car Club) - Zipcar UK Ltd with Hertz UK Ltd as reserve contractor	2.88	In Qtr 2, vehicle utilisation rates averaged 27% for the three months, which was disappointing but followed London averages in the economic downturn. Achieved 74% of member acquisition target. By Qtr 4, 8000 active members in WCC - more than any other

			London borough. 29% of members have sold at least one vehicle since joining, equating to 2,288 vehicles taken off the road in Westminster. Utilisation continues to grow beyond 35%.
Parking	On-Street/CCTV parking and traffic enforcement and street based city management services – NSL Limited	2.75	Reason for score of 2 in Qtr 3 - Performance default notice served, failure to comply with instructions, invalid issue of some tickets, of which a number had to be refunded and the remainder cancelled. NSL put in place process and procedures to prevent recurrence. By Qtr 4 NSL have continued to improve against KPI's throughout the year and are meeting and exceeding the majority.
Parking	C689 - Debt Management Contract - Philips Collection Services	2.00	KPI's were not met but were improving.
City Management	Arboricultural Services & Tree Maintenance Services	2.88	Contract performance as per specification except slippage in programme of works partly due to problems with parking suspensions requiring repeat visits and some staffing issues. Programme of works will overrun into new financial year. Ongoing discussions with contractor to ensure no repeat during 2012/13 year.
Utilities	C722 - Non-Half Hourly Electricity Buying Solutions Framework) – British Gas	2.88	In Qtr 3 there were lots of outstanding queries requiring site visits not closed. This was a result of Third party Meter operators not contacting Council officers for access when on site. There were no supply issues however. By Qtr 4 Responsibility for ensuring site visit queries was taken over by Senior Manager from BG. Improvement seen in query management by British Gas.

6. Contract Monitoring Improvements

- 6.1. Currently, it is the Nominated Authorised Officer (NAO) who is responsible for monitoring contract performance.
- 6.2. The contract monitoring forms, and a record of the scores, are available on the Sharepoint site allowing for easy access and in order to simplify the process. The City Council standard terms and conditions incorporate the requirement for performance monitoring.
- 6.3. With diminishing resources, both for the City Council and within providers, it has been recognised that there is a need to review the data used to monitor performance, in terms of what information is required and the frequency of submission. The aim is to focus on requesting information that is key, and is

actually used to determine how the contract is performing, as historically much of the information was not utilised.

- 6.4. In 2012/13 there will be improvements in contract performance monitoring and in the management of suppliers with the introduction of e-sourcing and a central supplier registry. A supplier performance management process will be implemented which will utilise score cards and surveys, and there will be better management information. These improvements will be delivered through the Athena Managed Services contract – Lot 2 e-sourcing requirements.

If you have any queries about this report, please contact Della Main on 020 7641 5981; dmain@westminster.gov.uk

List of Background Documents (attached)

APPENDIX A (i) – BREAKDOWN OF CONTRACTS AWARDED IN 2011/12

APPENDIX A – CONTRACTS AWARDED IN 2011/12 (UNDER £150k AND OVER £150k)

APPENDIX B – EXTENSIONS & VARIATIONS TO CONTRACTS

APPENDIX C –WAIVERS OF THE PROCUREMENT CODE

APPENDIX D – CONTRACTS OVER £150,000 IN VALUE - PERFORMANCE ASSESSMENTS 2011/12