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To: Policy and Resources Cabinet Committee

Date: 5 March 2025

Subject: Update from the Contract Management Review Group (CMRG)

Classification: Unrestricted

Summary:

This report reflects on the work of the Contract Management Review Group (hereinafter referred to as CMRG or the Group).

The paper summarises the key outcomes and common themes emerging from the contract reviews that have been undertaken and assesses the impact that the Group has had in the time period since the last report to Committee on 10 July 2024. The paper also looks forward to the work programme of the CMRG for the coming six months and identifies opportunities to further improve how the Group is contributing to raising the standard of contract management across the Council.

Recommendation(s):

Policy and Resources Cabinet Committee is asked to **consider** and **note** this report.

1. Introduction

- 1.1 The CMRG was first established in September 2016. Since its establishment, the Group has maintained a key role in identifying and promoting the best practice of contract management across the Council, while highlighting areas for further improvement.
- 1.2 This paper reflects on the contract reviews that have been undertaken since the last update to the Committee, areas of focus identified during the Group's reviews, and emerging themes. This paper outlines the future work programme for the CMRG, and opportunities for continuous improvement and learning.

2. Reflections on CMRG contract reviews since September 2024

- 2.1 The workplan completed across 2024 reviewed contracts covering multiple directorates and a diverse range of services.
- 2.2 Since the last update to Policy and Resources Cabinet Committee in July 2024, the CMRG has met a total of three times and reviewed four contracts identified as being of strategic importance.

2.3 The table below outlines the contracts that have been reviewed at the CMRG. It notes the point at which the contracts were reviewed and the key outcomes following discussion.

Date	Contract/s	Total Value	Review Point	Key Outcome/s
19.09.24	KCC Cleaning Services Corporate	£15,585,000 (including potential extension)	Mid life	The contract management arrangements were positively received by the Group. Further information on commercial performance was requested; contract leads were advised to liaise with KCC finance to understand what additional financial information can be requested from the supplier and provide a clearer understanding of the auditing process of the cleans to help determine performance. The Group discussed and noted recommendations on reviewing the social value model.
5.11.24	People's Voice	£3,761,295 (including potential extension)	Mid life	The contract management arrangements were discussed at length during the Group. Recommendations to re-visit and review KPI wording, contract management oversight, review of contract specification to see if there are savings to be made by reducing activity delivered, and financial information were offered. The contract lead will be re-attending the CMRG later in 2025, prior to any proposed extension.
21.1.25	Safe Accommodation Support Service	£2,790,700 (including potential extension)	Prior to Extension	This prior to extension presentation was well received by the Group, who felt the contract management arrangements were well explained, and practices undertaken to drive cost savings were well received. Recommendations were noted on KPI's to further drive supplier performance.
21.1.25	Kent Integrated Domestic Abuse Service	£23,915,291	Prior to Extension	The presentation detailed the proposed commissioning approach, which was well received by the Group, who noted its thorough and detailed manner.

2.4 The CMRG assessed the above contractual arrangements' level of maturity against different elements of contract management, using the NAO Good Practice Contract Management Framework, which is applied in proportion to the contract's strategic importance.

2.5 Where contractual arrangements were brought to the Group at a prior-to-extension point, the Group sought assurance on the proposed approach from a

commissioning and commercial perspective. The Group, in its advisory capacity, were informed of the forward plans, and the Contract Manager's rationale behind these.

- 2.6 The main challenges posed by the Group surrounded financial performance and the economic and standing of the suppliers. The Group ensured through these conversations that optimum value for money was being achieved, and where it was felt improvements could be made here, through robust commercial conversations and by officers applying commercial acumen in order to achieve best value for money from their contracts.
- 2.7 Where applicable, recommendations from the Group were offered following review of best value, which noted commercial discussions surrounding income generation, further account visibility, and areas of potential cost savings as ways to further improve value for money.
- 2.8 On balance, the maturity of the contract management has been well received by the Group. Officers have been open and transparent during their presentations, detailing where they feel strengths lay, and areas where further improvements can be made. Officers attending the CMRG have been appropriately informed of the areas of strength and where improvements could be made, following the scrutiny of contract management. Identified actions and recommendations, should there be any, are recorded and shared with officers so they are aware of and able to take forward any areas where continuous improvement is required.
- 2.9 The Group's discussions included the review of the commercial performance of these contracts, looking at supplier performance against key performance indicators. The Group scrutinised the number of key performance indicators, the description of the indicators and particular wording, in order to achieve the best commercial performance from suppliers. They sought to ensure each indicator was achievable but would drive supplier efficiencies. The Group looked for assurances for any performance where they felt improvements could be made, and asked presenters to share how any risks were mitigated against.
- 2.10 Added value secured through the contracts were also discussed. The Group reviewed social value arrangements; what additional benefits were being received, how these were reviewed and how suppliers were held to account for the added value commitments, through KPIs. Social Value commitments across the contracts reviewed include donations to local Kent charities, litter picking on Kent beaches and, donations of games and craft supplies to families attending.
- 2.11 The contract's risk and how any identified risks were mitigated against is discussed during the Group. The Group felt that on balance, risks were well documented and known, and should any improvements be noted in this area, officers were open to ways in which continued improvements could be made.
- 2.12 Resources on the management of the contract, and in particular, how these were deployed, and managed, were discussed as part of the review of

contracts. These discussions looked at the general management of the contract and found that resources managing these were appropriate and proportionate.

2.13 Governance arrangements for the contracts were also reviewed by the Group. This has included ensuring that there is appropriate accountability for the contracts, and that any future plans for the contract such as contract extensions, are being appropriately managed and correctly authorised.

3. Future work programme and opportunities for continuous improvement

3.1 The below table sets out the contractual arrangements that will be considered by the CMRG, set out in the future work programme. The contractual arrangements have been selected based on the criteria of strategic importance, value, risk, and complexity:

Date	Contract/s	Total Value	Review Point
18.03.25	Live Well Kent	£30,537,212	Prior to Extension
	Voucher Portal for Social Care	£60,000,000	Prior to Extension
20.05.25	Supported Accommodation	£6,000,000	Mid Life
	Revisit- People's Voice	£3,761,295	Prior to Extension
15.07.25	County Wide Strategic Model	£16,000,000	Mid Life
23.09.25	Hard FM Services Contracts	£220,000,000	Mid Life
25.11.25	Community Services to meet requirements of Advocacy, DOLS and LPS	£5,210,000.	Prior to Extension

3.2 The future work programme was agreed at the CMRG meeting held in September 2024. Further revisions may be required to the future programme of work, should contracts meeting the eligibility criteria be required to attend prior to any extension. This was also noted at the September 2024 meeting, and any amendments involving additional contracts needing to attend prior to extension are noted at the Group meetings.

3.3 The work of the CMRG is of great importance when understanding emerging themes through reviews and findings of the Group. These help to inform future policies and procedures. Lessons learned and emerging themes are shared with Divisional management to help with further insight. The learning emerging from the CMRG help to inform on areas where continuous improvements can be made through our practice, through further training which will be beneficial in our strive to continuously improve the Council's contract management practice, procedures, decisions and practices.

3.4 Feedback received from those attending the CMRG has shown that they value the discussions undertaken during the Group, understanding the need for the scrutiny and challenges offered, as part of a bigger discussion on understanding where strengths and areas for continuous improvement may be evident. Discussions with the Group have been open and honest, which presenters have also valued. Presenters have appreciated the guidance offered, and this being an opportunity to show their contract management practices areas of strength.

4. Conclusion

4.1 The CMRG has continued to offer an important forum for discussion and constructive challenge of our contract management procedures. Through this challenge and by offering an insight into the contract's management practices, it offers assurance and oversight of our commercial rigor, mechanisms for continuous improvement, and our areas of contractual management strength.

5. Recommendations

Policy and Resources Cabinet Committee is asked to **consider** and **note** this report

6. Contact details

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