

London Borough of Hammersmith & Fulham

Report to: Officer Decision

Date: 02/04/2020

Subject: Procurement Strategy and Contract Award - **Adult Learning & Skills Service (ALSS) Management Information Services (MIS) Contract**

Report of: Eamon Scanlon

Responsible Director: Strategic Director, The Economy

Summary

This report seeks approval for expenditure related to the provision of specialist management information services (MIS) for the council's adult learning service (Adult Learning & Skills Service H & F ALSS). The Tribal system (EBS4) is included on the "RM3281 Framework Agreement, Lot 5b Crown Commercial Services". The contract is for a period of 5 years at a contract price of £75,000 per annum (total aggregate Contract price £375,000).

H & F ALSS secures approximately £2.7m annually from the GLA/ESFA and accurate monitoring and accountancy is a compulsory requirement for performance management, continued funding and to meet Ofsted standards. Tribal Group PLC is a specialist education information software and services business supplier and has been delivering the ALSS MIS since 2007. The MIS essentially allows the ALSS to track individual learners' progress, accreditation and qualifications as well as account to the Greater London Authority (GLA) and the Education Skills Funding Agency (ESFA), which are the government's appointed funding bodies.

H & F ALSS has continued to achieve Good Ofsted inspection and was the first local authority led adult learning service in London to hold Beacon status. The Head of Adult Learning & Skills has reviewed contractual obligations and negotiated a reduction of £993.00 per annum against the current contract, which expired 29/02/2020. The Tribal system (EBS4) is included on the "RM3281 Framework Agreement, Lot 5b Crown Commercial Services". There are other providers listed on this framework but none of these can provide the service ALSS requires. This being the case, the corporate Procurement team have advised that ALSS can make a direct award for a new contract with Tribal Group PLC.

Recommendations

1. That the Strategic Director, The Economy approves expenditure of £75,000 per annum for ALSS to enter into a 5 year contract with Tribal Group PLC, the total cost of which will be £375,000 for the provision of specialist learning Management Information Services (MIS) for the period 1st March 2020 until 28th February 2025. The award will be done by direct call off from framework
2. That the Strategic Director, The Economy to acknowledges that the funding for these costs will be completely covered by the GLA/ESFA income

Wards Affected: All

H&F Priorities

Please state how the outcome will contribute to our priorities – delete those priorities which are not appropriate

Our Priorities	Summary of how this report aligns to the H&F Priorities
	<i>Brief details of any impact of the proposals in the report on businesses in the borough</i>
Being ruthlessly financially efficient	The new proposed contract constitutes a reduction and a saving of £933 per year against the previous contract, freeing up the GLA/ESFA grant to deliver services.

Financial Impact

3. The total proposed cost of the five-year contract of £375,000 will be funded from GLA/ESFA grant. Funding from the GLA/ESFA grant has been incorporated into existing budgets within the Adult Learning & Skills Service for 2019/20 (£75,000) and 2020/21 (£75,000).
4. A credit check has been carried out for Tribal Ltd as at 9th March 2020 and the credit rating of 68% suggests a very low level of risk to the Council and the suggested contract limit of £10.5m and turnover of £80.1m is sufficient for the value of the proposed contract.
5. It should be noted that termination of the contract is permissible at any time during the contractual period where three months' notice is given.

Legal Implications

6. This report has been reviewed in accordance with the Public Contract Regulations 2015 ("PCR 2015") and the Council's Contract Standing Orders ("CSOs").
7. This report requests the approval of the procurement strategy and award of the Call-off Contract for specialist management information services (MIS) for the council's adult learning service (Adult Learning & Skills Service H & F ALSS) to Tribal Group PLC, to commence on 1st March 2020 for a period of 5 years, at a contract price of £75,000 per annum (total aggregate Contract price £375,000).
8. The proposed Call-off Contract shall be awarded via RM3281 Framework Agreement, Lot 5b Crown Commercial Services. Officers have ensured that the direct award is permitted in accordance with Framework conditions and have reviewed the Framework Schedules which may not be relied upon when conducting a direct award. Legal shall work with officers to prepare the Call-off Contract documentation.
9. In accordance with CSOs 18 and 21, the approval process for procurement strategy and award for high value contracts lies with SLT Member in consultation with the relevant Cabinet Member.
10. As the award report concerns the award of a contract in excess of £300,000, it is considered a Key Decision and the report shall be published on the Council's website. In addition, an electronic copy of the completed and dated Contract must be uploaded to the Contracts Register along with a copy of this Award Report.

Implications verified/completed by: Radhika Devesher Associate at Sharpe Pritchard LLP, on secondment to the Council. rdevesher@sharpepritchard.co.uk

Contact Officer(s):

Name: Eamon Scanlon
Position: Head of service Adult Learning and Skills
Telephone: 0208 753 6321
Email: eamon.scanlon@lbhf.gov.uk

Name: Anjeli Chadha
Position: Senior Accountant, Finance and Governance
Telephone: 07776 672919 Email: Anjeli.Chadha@lbhf.gov.uk
Verified by: Emily Hill, Assistant Director Finance

Name: Radhika Devesher
Position: Associate at Sharpe Pritchard LLP
Email: rdevesher@sharpepritchard.co.uk

DETAILED ANALYSIS

Proposals and Analysis of Options

1. The H & F ALSS delivers over 450 courses to 7,000 learners annually, 80% of whom are borough residents.
2. The hub of the H & F ALSS is the Macbeth Centre, but ALSS also delivers courses in over 20 schools and community venues across the borough. ALSS has consistently secured in excess of £2.7m from the ESFA in funding annually for over ten years. In September 2019 the funding for learners residing in London was devolved to the Greater London Authority (GLA) at the London Mayor's office, but ALSS also holds a small ESFA funding grant for learners in non-devolved areas.
3. The GLA/ESFA contracts require the production of periodic accurate and timely data and information returns to trigger funding payments. Most importantly an Individual Learner Record is required for every learner which is an auditable record of a student's enrolment, attendance, fees and achievement.
4. The Education Business System 4 (EBS4) Management Information System (MIS) is the name given to the specialist education, training and learning software products and services which enable the compulsory collation of learner information for the GLA/ESFA. Cabinet in its February 2015 report agreed that Tribal Group Ltd could deliver a three year contract to provide the ALSS MIS at £75,993 per annum, with a 2 year extension taking it up to 5 years in total. The new proposed contract constitutes a reduction of £993 per year.

Reasons for Decision

5. Tribal are currently considered the market leader for MIS in Adult and Further Education. Since 2007, Tribal has provided the MIS system to ALSS. The MIS system is required to ensure the efficient and accurate collation, recording and monitoring of the following key data:
 - Course Registers and Programmes; Curriculum Planning; Online enrolment and payments; Enrolment capability
 - Integration with the Learning Aim reference System database for all qualifications; Recording examination results
 - Individual Learning Record returns to GLA/ESFA; Maintenance of student records; Attendance tracking; Progress tracking post education
 - European Social Fund and other grant claims; Self-Assessment Record (reviewed by OFSTED)
 - Administration and management reports; Community Learning reports.

6. The Tribal MIS was highlighted at the last full inspection of the Service by OFSTED as an important element of effective leadership and data ownership by managers and the H & F ALSS was awarded a grade 1 (Excellent) for Leadership and Management accordingly. Tribal Group PLC has provided the ALSS MIS to the satisfaction of the service and funders.
7. A new five year contract with Tribal Group PLC will facilitate this process over the next 60 months. The contract will commence on March 1st 2020 and expire on 28th February 2025. The total proposed cost of the work is £375,000. This work will be funded from H & F ALSS GLA/ESFA funding income.
8. The Strategic Director, The Economy agrees with the recommendation to extend the current service provision from Tribal Group Ltd by entering into a five-year contract. The arrangement, which complies with the Framework conditions, will allow the Council to maintain an effective long-term Management Information System for the Adult Learning Service.

Equality Implications

9. H & F ALSS delivers over 450 courses to nearly 7,000 learners annually and boasts an excellent offer to all members of the community; whether residents, workers in the borough, or a borough business or enterprise. There are targeted programmes including initiatives aimed at deprived areas of the borough (e.g. dedicated White City housing estate provision), Age Well, aimed at learners over 50 years and a programme for Learners with Learning Difficulties & Disabilities.
10. In addition, the H & F ALSS operates within a strong equality's ethos with learners, staff, tutors and visitors all encouraged to support the ALSS values and standards.
11. Following the merger of the H & F ALSS service with the Economic Development section a greater emphasis has been based on linking skills training and employment outcomes. Specific employability support and vocational skills programmes targeted at low income/skills residents and job seekers are now delivered and promoted by ALSS.
12. In addition, as per the Equality Act 2010, the Council must consider its obligations with regard to the Public Sector Equality Duty (PSED). It must carry out its functions (as defined by the Human Rights Act 1998) with due regard to the duty and its effect on the protected characteristics (below) in relevant and proportionate a way. The duty came into effect on 5th April 2011. The protected characteristics are:
 - Age
 - Disability

- Gender reassignment
- Marriage and civil partnership
- Pregnancy and maternity
- Race
- Religion/belief (including non-belief)
- Sex
- Sexual orientation

13. At a later date, the Council will need to have due regard for the potential implications that any later procurement exercise would have. The duty to have "due regard" to the various identified "needs" in the relevant sections of the Equality Act 2010 does not impose a duty to achieve results. It is a duty to have "due regard" to the "need" to achieve the identified goals.

14. However, this report relates specifically to the urgency of having a satisfactory MIS in place for H & F ALSS which is required in order for the Council to draw down significant GLA/ESFA funding.

Risk Management Implications

15. Urgency is required as the previous contract period with the provider has now expired. The total proposed cost of the five-year contract is £375,000 and this can be funded from the GLA/ESFA annual grants. If an arrangement is not put in place now there is a risk to the continued running of the service.

Implications completed by: Michael Sloniowski, Risk Manager, telephone 020 8753 2587

Procurement Implications

16. The report seeks approval to retrospectively award the contract to Tribal PLC for the total value of £375,000.

17. According to the Council's CSOs, the proposed contract is a high value contract (CSO 16.1). In accordance with CSO 18.1, all high value revenue contracts below £500,000 must have a procurement strategy approved by the relevant SLT Member in consultation with the relevant Cabinet Member. A procurement strategy has not been developed on this occasion.

18. The recommended route to market for letting high value contracts, as prescribed by the CSOs, is by conducting a fully compliant procurement exercise or by calling off from a compliant framework agreement (CSO 19.1).

19. The proposal is to call off from the CCS Framework agreement, in line with the Council's CSOs requirements.

20. In line with the CSOs 21.1, the decision maker for the award is the relevant SLT Member in consultation with the relevant Cabinet Member.

21. A contract entry must be created in the Council's Contracts Register to comply with statutory transparency requirements

Implications verified/completed by: Andra Ulianov, Head of Contracts and Procurement

Digital services implications

22. Digital services (DS) implications: DS have worked closely with the Adult Learning & Skills Service, Procurement and Legal on this renewal of the Tribal MIS contract via direct award. Given that Tribal are currently considered the market leader for MIS in Adult and Further Education, DS supports this procurement strategy.
23. A Digital services Project Manager has been allocated to ensure that any potential changes to the Tribal MIS system arising from negotiations around this contract are properly assessed by our Technical Design Authority (TDA), and that H&F's Information management (IM) and security (IS) requirements are met.
24. Information management (IM) implications: ALSS is working with IM to ensure that an up to date Privacy Impact Assessment (PIA) is finalised; supported by an up to date (Cloud) Security Supplier Questionnaire (CSSQ). This will ensure that all the potential data protection and information security risks (e.g. around processing adult learner data) relating to this contract and system are properly assessed with mitigating actions agreed and implemented.
25. Tribal MIS will be expected to have a Data Protection policy in place and all staff will be expected to have received Data Protection training.

Implications verified/completed by: Tina Akpogheneta, Interim Head of Strategy and Strategic Relationship Manager, IT Services, tel 0208 753 5748.