

Public Document Pack

Public Accounts Select Committee Supplementary Agenda

Tuesday, 25 March 2014
7.00 pm, Committee Room 2
Civic Suite
Lewisham Town Hall
London SE6 4RU

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Part 1

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Agenda Item 8

Public Accounts Select Committee		
Report Title	Update on implementation of Fairness Review recommendations	
Key Decision	No	Item No: 8
Ward	All	
Contributors	Executive Director for Resources	
Class	Part 1	Date: 25 March 2014

Reasons for lateness: This report is late due to the need to include additional information and for appropriate sign-off.

1. Summary

- 1.1 This report informs members of the progress made in implementing the recommendations made by the Committee in their review of Fairness in Pay & Employment practices.

2. Purpose of the Report

- 2.1 To report to members the progress made in implementing the recommendations made by the Committee in their review of Fairness in Pay & Employment practices.

3. Recommendation

- 3.1 The Select Committee is recommended to receive the update on progress against the recommendations.

4. Background

- 4.1 The Committee undertook a review of Fairness in Pay and Employment practices during 2011 and 2012. Recommendations concerning procurement were developed by the Committee and sent to Mayor and Cabinet after the 12 October 2011 Committee meeting. A response to the recommendations was received by the Committee on 9 February 2012 and incorporated into the final review report, which was published on 10 October 2012. Following discussions at the 10 January 2013 meeting, where the response to procurement recommendations was received, an update on the implementation of the procurement recommendations was brought to the 26 March 2013 Committee meeting. A further update on the implementation of the employment recommendations was brought to 17 July 2013 meeting.

5. Progress made against recommendations

- 5.1 The progress made so far in implementing the recommendations of the Committee is attached at **Appendix A**.

- 5.2 A report providing information on key trends within the schools' workforce is attached at **Appendix B**.

BACKGROUND PAPERS

Matters referred by the Public Accounts Select Committee – Fairness Review Final Report, Mayor and Cabinet, 24 October 2012

Response to Select Committee Fairness in Pay & Employment practices, Public Accounts Select Committee, 10 January 2013

Update on Fairness Review procurement recommendations, Public Accounts Select Committee, 26 March 2013

Fairness Review – Employment Update, Public Accounts Select Committee, 17 July 2013

Recommendation	Update
Procurement Recommendations	
<p>1 Formal Targets: The Committee notes that currently only 14.88% of Council suppliers are based in Lewisham but accepts that Lewisham is not a particularly industrial or commercial borough and the Council is limited by the number of companies based in Lewisham. However, the Committee would like officers to set a realistic target for increasing the proportion of its suppliers that are based in Lewisham and a more ambitious target for the percentage of suppliers based in the south east London sub region</p>	<p>The opportunity to increase the number of local vendors is linked to Recommendation 2 (a) below, by making it mandatory to include local suppliers in the quotation process it is foreseen that this will lead to more commissions being placed locally. However, the quotation process will still be required to achieve 'value for money' for the Council in any decision to place a contract.</p>
<p>2 Mandatory quotes from local suppliers: (a) The guidance issued on procurement and contained in the constitution should be amended (and re-issued to all staff able to let contracts) to require officers to obtain a quote from at least one local company in respect of all contracts under £40k and over £500, if a local supplier exists. This will include contracts under £10k where, currently, only one quote is required. (b) In relation to this, the procurement team needs to offer guidance to officers in terms of finding appropriate local companies. (c) Officers should also be encouraged to offer feedback to Lewisham companies in cases where they have been unsuccessful, so they can improve their chances in respect of future opportunities. The Committee recommends that the e-procurement tool being developed by the procurement team is used for all Council procurement, including procurement under £10k, and incorporates recommendations (a), (b) and (c) above.</p>	<p>Recommendation (a) Contract Procedure Rules have been revised to make quotes from local suppliers mandatory where feasible.</p> <p>Recommendation (b) database of local suppliers has been produced</p> <p>Recommendation (c) feedback is offered to all businesses that tender for work with Lewisham, this includes the strengths and weaknesses of their bids.</p> <p>The Procurement team are using ProContract e-tendering tool and are rolling out its usage.</p>
<p>3 Procure4london: The Committee notes that the Greater London Authority (GLA) and all London local authorities are being encouraged to sign up to the procure4london portal which allows suppliers access to a single avenue for public procurement opportunities in the capital with standard procedures and policies. The Committee would like to be reassured that Lewisham is fully signed up, that a link to the portal is featured on the Council website and that the portal is actively promoted to local businesses.</p>	<p>Procure4London has been combined with the CompeteFor portal and the ProContract e-tendering system links to this.</p>
<p>4 Data and events: The Council should consider whether the data available on the website regarding spend above £500 can be made more useful for local businesses, to enable them to get a better idea of the type of Council contracts that are available, who lets these contracts and when they are up for renewal. Officers should also investigate ways of bringing together local businesses with Council buyers, including holding service based events.</p>	<p>The transparency information now includes all spend above £250. The Economic Development section of Planning held a 'Lewisham Means Business' event on the 19th February 2014 to bring together local business and Council services.</p>

5	<p>More social considerations: Procurement officers should seek comprehensive legal advice on what can and cannot be incorporated into contracts in terms of social considerations. Specifically, advice should be sought on whether suppliers can be asked to (a) adhere to a pay differential below a certain ratio and regularly report their pay differential; (b) aim for a 50/50 gender ratio in apprenticeships; (c) recognise relevant staff unions; and (d) reach a particular minimum level of Continuing Professional Development (CPD) for their workforce and adhere to the Skills for Care and Development (SCD) recommended minimum percentage for investment in training. If not legally possible, the Council should strongly encourage suppliers to adopt socially responsible practices such as these. The Committee would like officers think more creatively about how social considerations can be incorporated into contracts, taking into account legal advice and also best practice from other local authorities and organisations, including TfL.</p>	<p>The Public Services (Social Value) Act 2012 was enacted last year and this required local authorities to consider how the services that is to be procured might improve the economic, social and environmental well-being of the relevant area and how, in conducting the process of procurement, the Council may act with a view to securing that improvement (“Social Value”).</p> <p>The EU has modernised its procurement directives and these new regulations are due to become part of English Law in the Autumn.</p>
6	<p>More robust contract monitoring: The Committee welcomes the fact that from September, all Council contracts will be more robust, contract monitoring will be improved and the code of practice will be updated for new suppliers. Contract monitoring needs to be rigorous across the piece, with robust enforcement and a range of formal targets - and informal targets (around best practice) where it is legally impossible to enforce formal targets. In relation to this, the Committee recommends that new contracts should require the provision of more detailed management information so officers can better monitor how social considerations are adhered to.</p>	<p>The Code of Practice was amended at the Mayor & Cabinet (Contracts) meeting held on the 7th December 2011. Included in that revision was sections in relation to Apprenticeships and Local Employment and Business, as well as the Bribery Act.</p> <p>The Director of Programme Management & Property has instigated a review of contract management practices, and it is planned to spread best practice to cover all client areas. Another specific change in monitoring is also occurring due to the introduction in many contractual arrangements of ‘Payment by Results’. It is also planned to incorporate strategic contract management and monitoring meetings with third party suppliers to address issues surrounding social considerations and equality issues.</p>
7	<p>More joint working: The Committee is pleased that procurement officers are working with other councils on standardised contract specifications and joint clienting arrangements. This makes it easier for local suppliers to bid for work with local councils, particularly in south and south east London; and also ensures that suppliers do not charge different local authorities different prices for the same services. The Committee would like to see the Council increase joint procurement with other local authorities, so collective spending power can be used as a lever to introduce more social considerations into contracts.</p>	<p>Lewisham is actively working on a number of joint projects, and is engaged in joint supplier management activities under the auspices of London Councils and The Heads of Procurement Network.</p>

8	Considering the in-house option: A re-letting model should be created for all staff letting contracts, which includes analysis of the in-house option as a required step.	The procurement team ensures that when advising clients at point of re-tendering contracts we consider the in-house bid as part of the overall options appraisal.
Pay and Employment Practices Recommendations		
1	When assessing the impact of redundancies, contracted and agency staff who are delivering council services should be included in any analysis undertaken.	The Council's budget reduction decisions now incorporate consideration of posts filled by agency staff, such posts were reported to the Mayor and Cabinet in December 2013. Of the 665 agency staff across the Council, 7 were placed in services subject to budget reductions, all these posts have now been deleted and the agency contract ceased.
2	Where possible, employee pathways through the organisation should be monitored to ensure that there is scope within the organisation for employees to progress to more senior roles.	<p>Apprentices are now progressing to Level 4 Apprenticeships; for example Finance apprentices are studying CIPFA which equates to graduate level education and Business Administration Level 3 apprentices are moving onto Project Management qualifications if deemed capable. The Council has also introduced Apprenticeships in Legal and Surveying, giving more specific qualifications leading to defined career paths.</p> <p>Traineeships are also being introduced for young people and the National Graduate Development Programme continues to enable the trainees to fast-track to senior positions within the Council. In the last year 3 former trainees were successful in obtaining senior roles at PO8/SMG level.</p> <p>In September 2012 an Assessed & Supported Year in Employment (AYSE) was introduced for all Newly Qualified Social Workers (NQSW's). Since the programme's inception, 6 NQSW's have successfully completed their AYSE with the Service and 9 are currently going through their AYSE.</p> <p>The destinations of the apprentices finishing their apprenticeship in 2014 will be determined in April 2014 and details published at London Councils in May 2014. The Council will be able to provide this information to Committee at the next meeting.</p>
3	The development of an in-house management trainee scheme for local graduates is welcomed and the Committee should be kept updated on progress in implementing this.	The Council was successful in appointing 2 National Management Trainees with local connections in October 2014. The National Graduate Development Programme was again advertised locally in December 2013 for the next intake of National Management Trainees in October 2014 with the intention again of appointing at least one NMT with a local connection.

		<p>The pilot scheme for summer interns was successfully run during summer 2013, with 4 young local under graduates taking advantage of this scheme. A further 8 places will be offered in summer 2014, again to young people with a local connection.</p>
<p>4</p>	<p>Corporate HR staff should keep the following issues under review:</p> <ul style="list-style-type: none"> (a) The disproportionate impact of council redundancies on women. (b) The age profile of staff. (c) The employment of BME staff at senior levels. (d) The length of service of agency staff. 	<p>The council monitors each of the proposed budget reductions separately and to date no particular service has been identified as disproportionately impacting on any particular group. However there have been services which have employed a higher than average number of black employees and women. Although the budget reductions did not result in a higher proportion of black employees and women being identified for redundancy, because these services employ a large proportion of black employees this has had an impact on the overall representation of black employees. This has reduced from 38.1% in March 2013 to 35.9% in January 2014.</p> <p>The Council's profile has remained stable and young people were appointed to 46% of vacancies between April 2013 and December 2013. Similarly, there has been no change in the percentage of BME staff at a senior level, BME staff were appointed to 32% of senior appointments.</p> <p>At the end of January 2014, there were 330 agency staff who had a tenure of more than one year. This equates to 53% of the total number of agency workers engaged at this time – 665. The main service areas where these agency staff are engaged are Adult day services, where agency staff continue to be engaged pending a reorganisation. Executive directors have also completed a review of senior interims and consultants in their areas.</p>
<p>5</p>	<p>The involvement of school staff in Council processes needs to be improved. This should include making sure that school staff are included in all relevant corporate engagement exercises, including surveys; and have access to the intranet and other council information services so they can access council policies and other relevant corporate information easily.</p>	<p>Pay policies are a matter for each Governing Body who will engage as appropriate locally with staff. It remains the position that School Governing Bodies will involve school staff locally in engagement exercises relevant to the school. HR policies reflecting Council policies are generally located in a staff handbook or are available on the school's IT network. It remains the case that schools cannot access the Council's IT network to view Council policies.</p> <p>A separate report regarding school employment profile data is attached to update the Committee on the schools' position in regard to fairness in employment recommendations.</p>

6	Should the Independent Executive Remuneration Panel (IERP) agree a set pay multiple, any appointment (permanent or agency staff) that exceeds the multiple should be reported to the IERP.	The Council has agreed a further pay statement which is now published. This pay statement identifies that the multiple currently stands below the set level at 12.4:1.
7	Agency staff must be required to submit themselves to the Council's pay and transparency rules. The public interest test should be deemed to always apply in this case, overruling any confidentiality requirements agreed between the staff member and their agency.	Details of the salary of senior interims earning over £75,000 continue to be published on the Council's website, this will be updated with the relevant information for 2013/14 in April this year.
8	The operation of the Works Council should be reviewed and consideration given to how more formal contact with the Mayor can be incorporated.	A review of the corporate negotiating machinery has been undertaken at officer level and as a result the structure of the Corporate Joint Council has been revised and now implemented in conjunction with the trade unions.

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PUBLIC ACCOUNTS COMMITTEE			
Report Title	Schools Fairness Report		
Key Decision		Item No.	8
Ward	ALL		
Contributors	Executive Director Children and Young People		
Class	Part 1	Date:	25 March 2014

1. Summary and Purpose

This report provides information on key trends within the schools' workforce.

2. Recommendations

To note the report.

3. Background

- 3.1 A profile of the Council's workforce is published annually and was presented to the Public Accounts Select Committee on 17 July 2013. The Committee was informed that the schools data would be provided separately.

4. Data Sources

- 4.1 Some of the data provided in this report has been extracted from the School Workforce Census (SWF) 2012. The SWF was originally introduced by the Department for Education (DFE) in November 2010 to replace the various school workforce data collections that existed prior to 2010. The aim of the SWF was to reduce the number of data collection exercises by collecting all key data items in one single, consistent exercise. The census collects detailed information annually from schools (including academies) and local authorities across England on teachers, teaching assistants and other non-classroom based support staff and includes detailed characteristics data on school staff e.g. their age, gender, ethnicity and whether they work full or part-time. It also includes statistics on teacher's salaries, qualifications, sickness absence levels, number of teaching vacancies and the number of teaching posts filled on a temporary basis.
- 4.2 Other data relating to disability, absence, occupational health referrals, initial teacher training, newly qualified teachers, employee relations casework, redundancies, pupil population has been obtained from a variety of other sources including the Council's HR/Payroll system, file records and the termly Schools Census.

5. Key Statistics from the Schools Workforce Census 2012

5.1 School Workforce Numbers/Characteristics in England

- 5.1.1 At the time of the census in November 2012 there were 899,000 full time equivalent (FTE) school workforce employees (teachers, teaching assistants, other school support staff and auxiliary staff) working in publicly funded (including academies) schools in England. This was an increase of 23,200 FTE employees compared to the previous year.

Gender	% FTE of full and part time teachers	% FTE of full and part time teaching assistants	% FTE of full and part time other support staff
Female	73.3%	92%	81.5%
Male	26.7%	8%	18.5%

- 5.1.2 In contrast the data produced in earlier years via the government's 618G return shows that, for example in 2003, 69% of full time qualified teachers were female. It should be noted that the 618G data is limited as far fewer questions were asked about the workforce prior to the introduction of the School Workforce Census in 2010.

Age	% FTE of full and part time regular teachers aged under 30	% FTE of full time and part time regular teachers aged 50 and over	% of full and part time Headteachers aged 50 and over
	23.6%	21.2%	51.9%

- 5.1.3 In contrast the data available for 2003 shows that 20% of full time qualified teachers were aged under 30, 51% were aged between 30 and 49 and 29% were aged 50 or over.

Ethnicity	% of teachers in service recorded as White British	% of all non-teaching staff recorded as White British
	88.4%	88.1%

- 5.1.4 In contrast the data available for earlier years shows that in 2003 for example, 90.5% of teachers were reported to be 'White British'. However, ethnicity details were only reported for 78% of teachers at that time.

5.2 Absence

- 5.2.1 The School Workforce Census does not collect absence data for all school based employees, only for teaching staff. In the 2011-12 academic year 55% of teachers in service at any time during the year had at least one period of sickness absence compared with 56% in 2010-11. For those teachers taking sickness absence the average number of days lost was 8.1 This was a small reduction from the average number of days lost in the previous academic year – which was 8.2 days. In 2011-12 a total of 2.2 million days were lost to

teachers' sickness absence. This equates to an average of 4.5 days lost per teacher – a reduction compared with the previous year (4.6 days).

6. Representation in Lewisham

6.1 Total Employees

6.1.1 This information is taken from the School Workforce Census data.

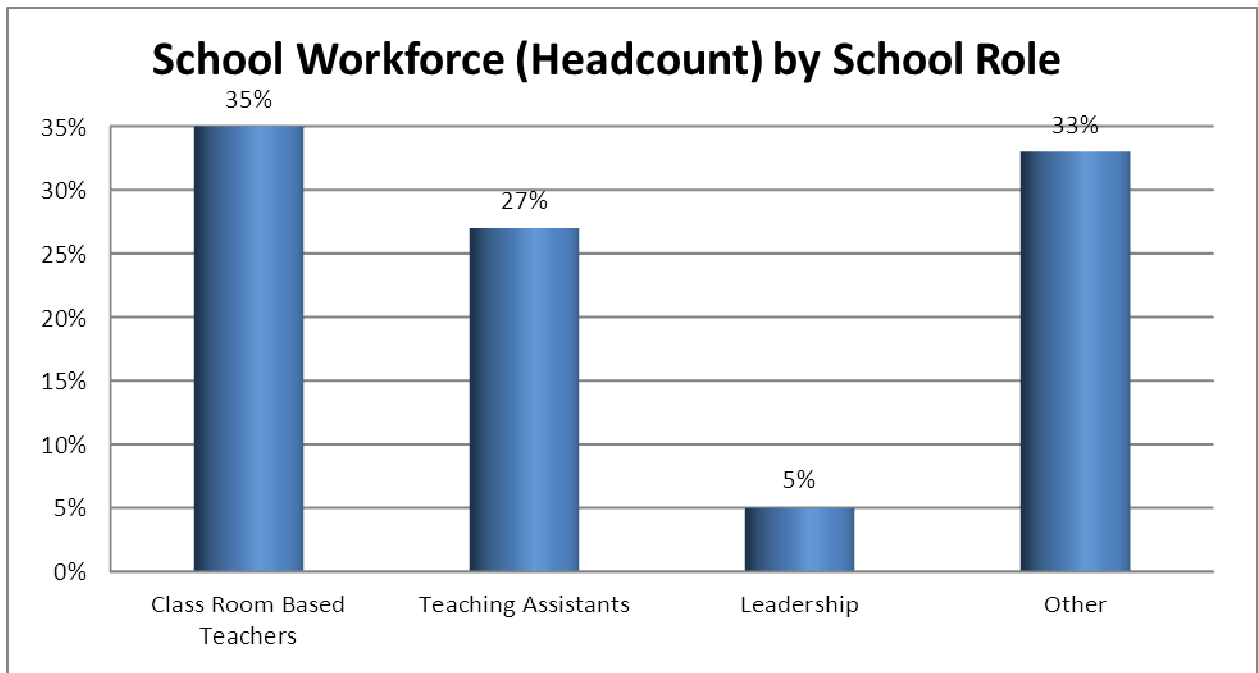
	2010/11	2011/12	2012/13
Total Teachers Headcount	2049	2028	2110
Total Support Staff Headcount	3120	3039	3161
Total School Based Employees Headcount	5169	5067	5271
Total Non School Based Employees Headcount	3790	3066	3027
Overall Total Employees Headcount	8959	8133	8298

6.1.2 This data includes the seven schools who have contracted out of the Council's payroll service and the four academies within Lewisham, employing 626 and 763 employees respectively in 2012/13.

6.1.3 In 2010/11 the schools workforce (including the academies) made up 57.6% of the overall total employees headcount; this increased to 62.3% in 2011/12 and to 63.52% in 2012/13.

6.1.4 Based on the data held on the Council's HR/Payroll system since 1993 (which excludes any schools that have contracted out of the Council's system and academies), the total employees trend including schools (as reported to the Public Accounts Select Committee on 17 July 2013) showed that the school staff headcount percentage has increased significantly over the last twenty years as the non school based employee numbers have reduced over time. In 1993 the school staff made up 32% of the total workforce, by 2003 that had increased to 50% and it now stands at 63.52% including the academies (62% excluding the academies).

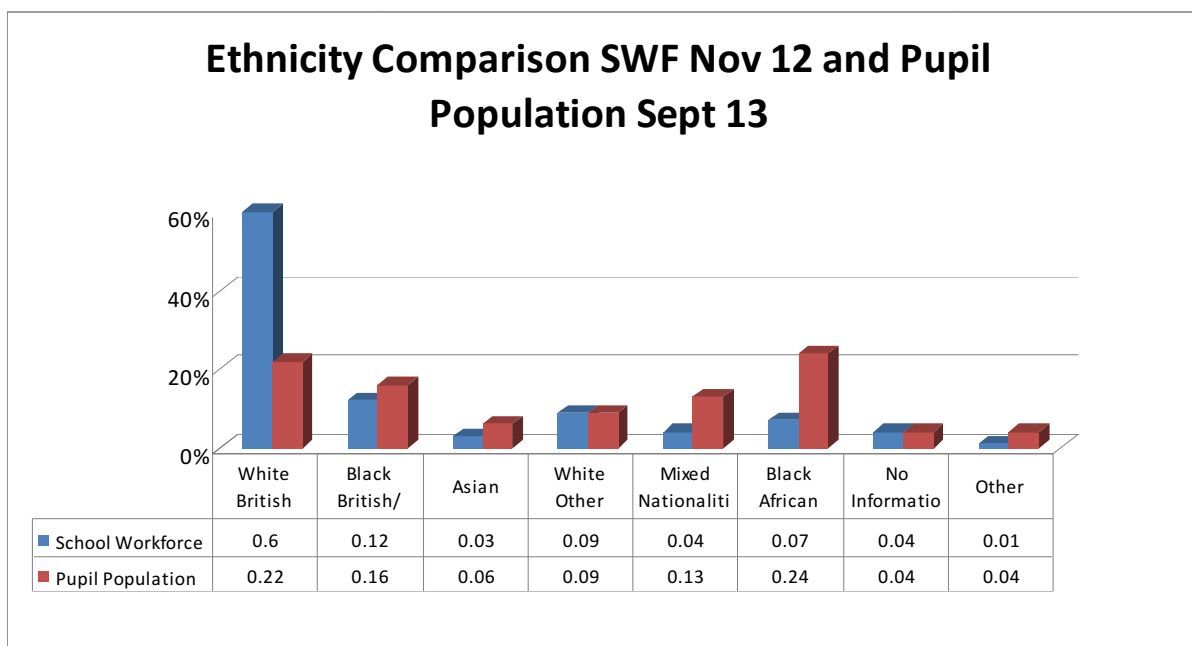
6.1.5 The growing proportion of the total workforce in schools reflects the savings agenda impacting upon the non schools workforce and the fact school budgets have been protected in cash terms, in part to reflect the growing school population.



6.1.6 The majority of school based staff in Lewisham are classroom based teachers (35%). 27% of the school workforce are Teaching Assistants and a further 5% are in leadership positions, for example Headteachers, Deputy and Assistant Headteachers. 33% of the staff are included in the 'Other' group; this includes a range of support staff roles, such as administrative staff, midday supervisors, premises staff and technicians.

6.2 Ethnicity

6.2.1 The black and minority ethnic (BME) make up of the borough in 2012 was 41% of the resident population; the Council's BME workforce at the same time was 39%. According to the Spring 2013 Pupils Census the BME make up of school pupils in the borough was 63%. This compares with 27% of the schools' workforce recorded as having a BME background in the November 2012 School Workforce Census – see graph on next page.

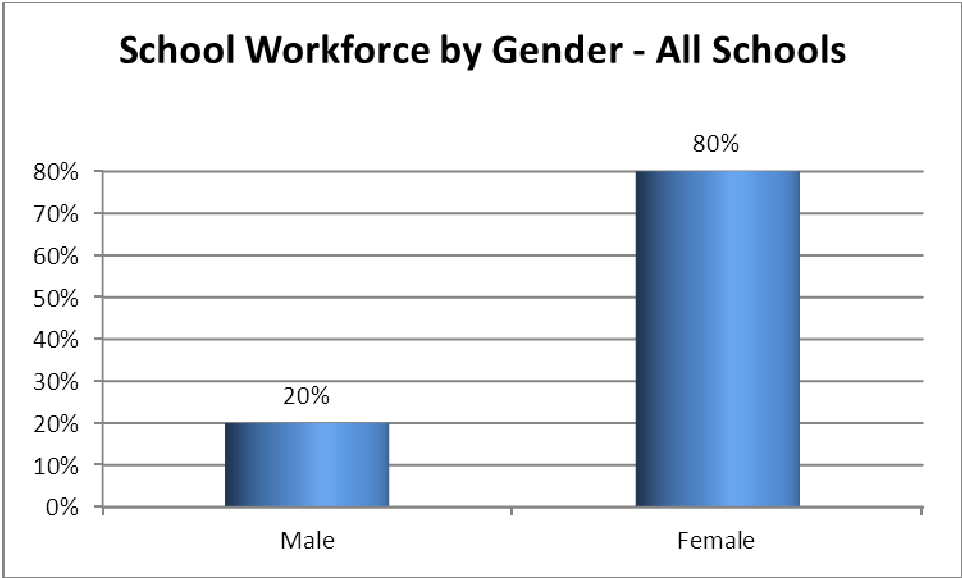


6.2.2 The date for the School Workforce Census was November 2012. The date for the pupil population was as at Spring 2013. Although the overall BME percentage of the school workforce is lower than the pupil population, the BME of teachers has increased since 2010 when it was 34% - up to 35.1% in 2012. This increase is also reflected in the increased number of newly qualified teachers from a BME background employed since 2011 – see further details in Paragraph 7 below. The BME percentage for other school based staff had also increased by 0.5% since 2010.

6.2.3 By comparison, the figures for Inner London show that the overall BME percentage of teachers was 40.3% in 2012, a 0.7% decrease from 41% in 2010 whilst for other school based staff the BME percentage had increased by 0.9% since 2010, from 52% to 52.9%.

6.3 Gender

6.3.1 According to the SWF Census 2012 the majority of the schools’ workforce are women (80%) who are well represented at all levels, including leadership.

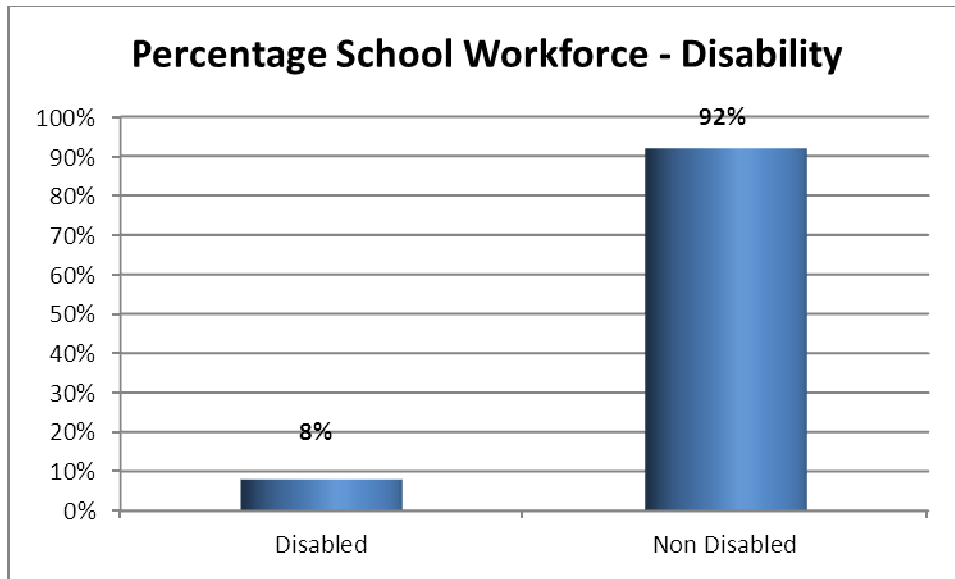


6.3.2 The overall number of male teachers in Lewisham has increased by 1.3% since 2010; the percentage of male teachers in 2012 was 28.3% compared to 27% in 2010. Similarly there has been a year on year increase in the number of male teacher trainees – see further details in Paragraph 7 below. This compares with the overall Inner London percentage of male teachers employed which is broadly the same at 28% in 2010 compared to 27.9% in 2012. The number of male school support staff in Lewisham was 19.5% in 2012 compared to 15.66% in 2010; this compares with Inner London figures of 20.33% in 2012 compared to 16.66% in 2010. Overall there has been an increase in male staff working in Lewisham schools.

6.4 Disability

6.4.1 The SWF Census does not collect data about disability, however according to the Council’s HR/Payroll system data a total of 9.3% of school based employees have declared that they are disabled in 2012, which compares to 3.5 % of non-schools employees, 4.3% of the local community and an average

5.2% across other London Councils. This percentage does not include the seven schools not on the Council's payroll system or the academies.



6.5 Part Time employees

6.5.1 The SWF Census does not collect data about all part time employees, only for teaching staff. For Lewisham this shows that 17% of all teaching staff were part time in 2012 compared to 22% in 2010 and 20% in 2011. By comparison, the Inner London figures show that 16.5% of all teaching staff in 2012 were part time compared to 18% in 2010 and 17% in 2011. Schools are finding that the school improvement agenda calls for more full time staff to provide continuity in classrooms for pupil progress. A lot of part time staff creates a need for greater management support.

6.5.2 The data available from the Council's HR/Payroll system for 2012 shows that 52.62% of all school based employees (not including the seven schools not on the Council's payroll system or the academies) were part time. Of those part time staff 89.95% were female, 10.15% were male.

6.6 Age Profile

6.6.1 The SWF Census does not collect age profile data about all school based employees, only for teaching staff aged 50 or over. This shows that, in Lewisham, 22.3% of all teaching staff were aged 50 or over in 2012 compared to 24% in 2010 and 23.2% in 2011. By comparison, the Inner London figures show that 16.6 % of all teaching staff in 2012 were aged 50 or over compared with 19% in 2010 and 18% in 2011. A number of teaching staff aged 50 or over have left under the Lewisham redundancy arrangements during the last three years which in the main accounts for the decrease in staff within that age band. Further details on staff redundancy/early retirement are provided in Paragraph 8 below.

6.6.2 A more detailed breakdown of the age profile is available from the Council's HR/Payroll system but it should be noted that this data does not include the seven schools who have contracted out of the Council's system or the academies. The total number of school based employees recorded for 2012

in the Council's system are 4325, 1845 of whom were teachers and 2480 who were support staff. This data is presented below:

Age range	Number of school based employees	Percentage of total school based employees
16 - 20	16	0.37%
21 - 25	271	6.27%
26 - 30	469	10.84%
31 - 35	519	12.00%
36 - 40	528	12.21%
41 - 45	617	14.27%
46 - 50	682	15.77%
51 - 55	615	14.22%
55 +	608	14.06%
TOTAL	4325	100%

6.7 Age by Job Type

Age range	Teaching staff		School based support staff	
	Headcount	Percentage	Headcount	Percentage
16 - 20	Nil	0%	16	0.6%
21 - 25	110	6.0%	161	6.5%
26 - 30	286	15.5%	183	7.4%
31 - 35	310	16.8%	209	8.4%
36 - 40	257	13.9%	271	11.0%
41 - 45	235	12.7%	382	15.4%
46 - 50	239	13.0%	443	17.9%
51 - 55	217	11.8%	398	16.0%
55 +	191	10.3%	417	16.8%
TOTAL	1845	100.00%	2480	100.00%

6.7.1 This data shows that 22% of the teaching workforce (excluding the schools not on the Council's HR/Payroll system and academies) is aged 51 or over; 33% of the support staff is aged 51 or over. Of the total school workforce, 28% is aged 51 or over.

6.8 Agency Workers

6.8.1 This data is not available for schools as they do not have to commission through the Council's agency managed service. There is a contract with the Lewisham Supply Service for the supply of agency teachers and teaching assistants that exists for the benefit of schools. In addition schools go to a variety of agencies by choice as well as using their own internal supply staff to provide cover as and when required. The total schools' spend on supply staff (teaching and support staff) for the last three years is:-

2010/11 - £6,014,865
 2011/12 - £5,920,087
 2012/13 - £6,040,108

6.8.2 The level of spend has remained constant over a period when pupil numbers have been growing. This would suggest that in real terms the use of supply staff has fallen.

7. Teacher Training and Newly Qualified Teachers

7.1 Initial Teacher Training (ITT) Census 2012

7.1.1 Each year the Department for Education projects the number of new trainee teachers required for the following year to ensure there are enough teachers in the state-funded system. For 2012 32,295 trainees were needed and 35,380 were recruited. The latter figure includes an estimate of the in-year starts. Of those trainees 14,620 were for secondary education and 20,760 were for primary education. The level of bursaries has increased since 2011 in order to attract top graduates in specific priority subjects. Bursaries range from £12,000 to £20,000 for maths, physics, chemistry and foreign languages. The bursary amount on offer is directly linked to degree quality and the 2012 census shows a rise in the proportion of trainees with a 2:1 or higher since the previous year.

7.1.2 The ITT census also collects information about the diversity of trainee teachers including gender and ethnicity.

7.2 Gender

7.2.1 The Teaching Agency monitors closely the proportion of primary teachers who are male with a view to achieving an increase in male trainees over time. The following table highlights the number and proportion of male primary teacher trainees in 2012 and the previous two years, as recorded in the census:-

ITT Census 2012 - number and proportion of teacher trainees by gender 2010-12			
Year	Male	Female	Total
2010/11	3,470 18%	15,310 82%	18,790 100%
2011/12	3,890 19%	16,300 81%	20,190 100%
2012/13	4,100 20%	15,990 80%	20,090 100%

7.2.2 There has been a year on year increase in the number of male teacher trainees reaching a total of 20% in 2012. This is reflected in the increase of male Newly Qualified Teachers appointed to work in Lewisham schools over the last two years, see table below:-

Lewisham Schools – number and proportion of Newly Qualified Teachers (NQTs) by gender 2011-13			
Year	Male	Female	Total
2011/12	51 22%	176 78%	227 100%
2012/13	69 27%	187 73%	256 100%

7.2.3 The overall proportion of male NQT's in Lewisham has increased by 5% in 2012/13. Compared with the national statistics Lewisham had 3% more male NQT's in 2011/12 (22%) and this had increased by a further 4% in 2012/13 (27%).

7.3 Ethnicity

7.3.1 The Teaching Agency also monitors closely the proportion of trainees who are black and minority ethnic (BME). The table overleaf sets out the numbers and proportion of BME trainees in 2012 and the previous two years, as recorded in the census:-

ITT Census 2012 - number and proportion of teacher trainees by ethnicity 2010-12			
Year	BME	White	Total
2010/11	4,530 12%	33,340 88%	37,870 100%
2011/12	4,360 12%	31,590 88%	35,950 100%
2012/13	4,250 13%	24,490 87%	33,740 100%

7.3.2 This table shows a slight increase in BME trainees for 2012/13 to 13% overall. By comparison the number of BME Newly Qualified Teachers in Lewisham has increased by 6% in the last two years, see table below:-

Lewisham Schools – number and proportion of Newly Qualified Teachers by ethnicity 2011-13				
Year	BME	White	Not given	Total
2011/12	50 22%	155 68%	22 10%	227 100%
2012/13	71 28%	169 66%	16 6%	256 100%

8. **Staff redundancy/early retirement**

8.1 In the last financial year 2012/13, 24 staff were made redundant across various schools within the borough; 13 from secondary schools and 11 from primary schools. Some of these reductions relate to changes in the additional support required or provided to pupils with SEN, others were as a result of pupil numbers falling in certain schools and therefore the resources available to those schools reducing accordingly. In previous years the number of secondary age pupil numbers had declined as part of a trend since 2010 but this is expected to increase again in 2015 when the impact of the first primary age bulge year of 2008 will be felt by the secondary schools.

8.2 In addition, although some of the staff affected were transferred under TUPE arrangements, a further 40 school based staff were made redundant/early retired as a result of the closure of two special schools (Pendragon and Meadowgate) to create a new all through age ASD special school (Drumbeat) and the transfer of a sixth form college (Crossways) to another sixth form provider within the borough.

8.3 The tables below outline the effect of the redundancies over the last three financial years as measured by different equalities criteria, namely grade, gender, ethnicity, disability and age.

Total Schools' Staff Redundant/Early Retired BY GRADE								
	2010/11		2011/12		2012/13			
					Totals including C*/P*/M* staff redundancies/early retirements		Totals excluding C*/P*/M* staff redundancies/early retirements	
	Total	% of overall total	Total	% of overall total	Total	% of overall total	Total	% of overall total
Sc 1 -2	4	15%	7	21%	9	14%	6	25%
Sc 3 - 5	15	58%	6	18%	12	19%	9	38%
Sc6 – SO1	2	8%	13	40%	5	8%	2	8%
PO1 – PO5	1	4%	0	0%	10	15%	1	4%
PO6 – SMG3	0	0%	2*	6%	3	5%	1	4%
Teachers	4	15%	5	15%	25	39%	5	21%
OVERALL TOTAL	26	100%	33	100%	64	100%	24	100%

*C – Crossways Sixth Form

*P – Pendragon Special School

*M – Meadowgate Special School

** - this includes a senior post on a Leadership salary

8.4 In 2010/11 the highest proportion of redundancies were from the Scale 3-5 grades (58%); this was due to a number of admin and support staff reorganisations taking place at that time in various schools which in the main affected staff at those grades. In 2012/13 the highest proportion of redundancies (39%) involved those teaching staff affected by the closure of the two special schools and the transfer of the sixth form as mentioned above.

Total Schools' Staff Redundant/Early Retired BY GENDER				
	2010/11	2011/12	2012/13 Totals including C*/P*/M* staff	Totals excluding C*/P*/M* staff
Male	6	7	18	5
Female	20	26	46	19
TOTALS	26	33	64	24

- 8.5 The number of female staff made redundant is consistently higher than for male staff but this is reflective of the gender breakdown in schools – with 80% of the staff being female. Of those staff made redundant since 2010, 77% were female in 2010/11, 79% in 2011/12 and either 56% in 2012/13 (for the totals including Crossways, Pendragon and Meadowgate or 79% (for the totals excluding Crossways, Pendragon and Meadowgate).

Total Schools' Staff Redundant/Early Retired BY ETHNICITY				
	2010/11	2011/12	2012/13 Totals including C*/P*/M* staff	Totals excluding C*/P*/M* staff
Black Caribbean	6	4	19	7
White British	14	24	31	14
White Other	2	1	3	0
Black Other	1	1	7	1
Mixed Other	3	1	2	0
Not given	0	2	2	2
TOTALS	26	33	64	24

- 8.6 The BME proportion of staff in schools was 31% as at November 2012. In 2010/11, 38% of the staff made redundant were BME. In 2011/12 this was 24% and in 2012/13 it was 47% including Crossways/Pendragon and Meadowgate. This increase in 2012/13 can be attributed in part to the higher number of BME staff employed at the sixth form college affected by closure.

Total Schools' Staff Redundant/Early Retired BY DISABILITY				
	2010/11	2011/12	2012/13 Totals including C*/P*/M* staff	Totals excluding C*/P*/M* staff
Disabled	1	0	3	2
Not Disabled	12	7	61	22
Not Declared	13	26	0	0
TOTALS	26	33	64	24

- 8.7 The proportion of staff in schools that had declared a disability was 9.3% in November 2012. Of the 26 staff made redundant in 2010/11 only one had declared a disability (4% of the total), in 2011/12 none of the 33 staff had declared a disability. In 2012/13, 5% of the total 64 staff made redundant had declared a disability; this was 9% of the total (24) excluding Crossways, Pendragon and Meadowgate.

Total Schools' Staff Redundant/Early Retired BY AGE				
	2010/11	2011/12	2012/13 Totals including C*/P*/M* staff	Totals excluding C*/P*/M* staff
16 - 20	0	0	0	0
21 - 24	1	0	0	0
25 - 34	6	5	9	3
35 - 44	6	6	9	2
45 - 54	6	15	19	9
55+	7	7	27	10
TOTALS	26	33	64	24

8.8 The proportion of staff over 45 that leave under redundancy is higher than the younger age groups. This reflects the decisions some older staff make to leave under voluntary redundancy arrangements as these may be beneficial to them if they have longer service and entitlements.

9. Employee Casework

9.1 The table below provides a breakdown of the number of disciplinary, grievance and capability employee relations cases handled by the Schools' HR team over the period September 2012 to August 2013.

By staff type	Capability	% of total	Disciplinary	% of total	Grievance	% of total	TOTAL	%
Teaching Staff	24	35%	33	30%	4	44%	61	32%
Support Staff	45	65%	77	70%	5	56%	127	68%
TOTAL	69	100%	110	100%	9	100%	188	100%

By gender	Capability	% of total	Disciplinary	% of total	Grievance	% of total	TOTAL	%
Male	11	16%	40	36%	2	22%	53	28%
Female	58	84%	70	64%	7	78%	135	72%
TOTAL	69	100%	110	100%	9	100%	188	100%

By ethnicity	Capability	% of total	Disciplinary	% of total	Grievance	% of total	TOTAL	%
BME	23	33%	37	34%	3	33%	63	34%
White	46	67%	73	66%	6	67%	125	66%
TOTAL	69	100%	110	100%	9	100%	188	100%

By disability	Capability	% of total	Disciplinary	% of total	Grievance	% of total	TOTAL	%
Non disabled	58	84%	106	96%	8	89%	172	91%
Disabled	11	16%	4	4%	1	11%	16	9%
TOTAL	69	100%	110	100%	9	100%	188	100%

9.2 The level of employee relations activity across the two main groups, teachers and support staff, is concentrated in the support staff group. The higher number of cases involving female staff reflects, to some extent, the proportion of staff that are female in schools. Similarly, under ethnicity, the number of cases reflects the proportion of staff that are white and BME in schools. Of the total 188 cases, 16 staff recorded as disabled were involved, 9% of the total cases; this also reflects the percentage of disabled employees in school which was 9.3% in 2012.

10. Sickness Absence

10.1 The School Workforce census only collects data for teaching staff absence. According to the data collected for 2012 which covered the 12 month period from 6th November 2011 to 7th November 2012, 58.7% of teachers in Lewisham (including the academies) had at least one period of sickness absence. This compares to 59.9% for Inner London. The average (mean) number of days lost to teacher sickness absence (of only teachers in school taking sickness absence) was 7.6 days compared with an average of 7.2 days for Inner London. The average number of days lost to teacher sickness absence (across all teachers in school) was 4.5 days for Lewisham and 4.3 days for Inner London.

10.2 Sickness absence data provided by the Council's HR/Payroll system from 1 September 2012 and 31 August 2013 is shown in the table/graph below. This also includes teachers and other school based staff from those schools that have contracted out of the Council's system but not the academies.

Totals

FTE working days lost	27,517 (Teachers 36.83%) (Support Staff 63.17%)
Long term absence	14,894
Average FTE	3,444
Average days lost	7.99 (Teachers 6.22) (Support Staff 9.57)
Average days lost excluding long term absence	3.67 (Teachers 2.94) (Support Staff 4.31)

Whilst it is noted that support staff absence is higher than for teaching staff, no formal analysis of the reasons for these differences has been carried out.

11. Occupational Health Referrals

11.1 A total of 511 Occupational Health appointments were arranged for school employees between 1 July 2012 to 30 June 2013; of those, 174 were first referrals. The reasons for the first referrals were varied, see table below:-

Reason for Referral	Number of School First Referrals	Number of Non School First Referrals
Back	8	9
Chest/Respiratory	6	9
Ear/Eye/Nose/Mouth	6	10
Genito Urinary	8	14
Heart/Blood Pressure	11	10
Infection	6	24
Musculoskeletal	43	74
Neurological	17	5
Other	4	25
Stomach/Liver/Kidney	11	26
Stress/Depression	49	49
Pregnancy Related	5	5
TOTAL	174	250

11.2 The total first referrals including school and non school based employees was 424 between 1 July 2012 to 30 June 2013; schools account for 41% of the first referrals during that period. Stress/depression referrals totalled 49 for schools representing 28% of all first referrals. Put into context this proportion equates to only 1.1 % of the schools workforce over the same period of time (49 cases out of 4322 employees). Musculoskeletal referrals were the next highest totalling 43, representing 25% of all first referrals from schools. The performance improvement agenda in schools has meant that an increased number of performance capability cases are emerging and these are often a trigger for sickness absence attributed to work related stress. The high number of musculoskeletal cases may, in some cases, be triggered by the nature of the work carried out, for example bending down to communicate with young children or moving and handling equipment etc.

12. Financial Implications

12.1 There are none arising from this report.

13. Legal implications

13.1 There are none arising from this report.

14. Equalities implications

14.1 The focus of the report is on the characteristics of the schools' workforce.

15. Environmental implications

15.1 There are none arising from this report

Background Papers

- School Workforce Census Data 2012
- School Workforce Census Data 2011
- School Workforce Census Data 2010
- Schools Employment Profile 2012
- Various Resource Link reports on staff employed in schools from 1 September 2012 to 31st August 2013
- GTC – Annual Digest of Statistics 2010-2011
- DfE National Gender Analysis
- Teaching and Development Agency (TDA) website
- Occupational Health Service Activity Reports July 2012 – June 2013
- Health and Safety Board Occupational Health and Welfare Updates March/June/Sept 2013
- Various data held in CYP

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Agenda Item 9

Public Accounts Select Committee		
Report Title	Update on implementation of the Managing Contracts Review recommendations	
Key Decision	No	Item No: 9
Ward	All	
Contributors	Executive Director for Resources	
Class	Part 1	Date: 25 March 2014

Reasons for lateness: This report is late due to the need for appropriate sign-off.

1. Summary

- 1.1 This report informs members of the progress made in implementing the recommendations made by the Committee in their review of Managing Contracts.

2. Purpose of the Report

- 2.1 To report to members the progress made in implementing the recommendations made by the Committee in their review of Managing Contracts.

3. Recommendation

- 3.1 The Select Committee is recommended to receive the update on progress against the recommendations.

4. Background

- 4.1 The Committee undertook a review of the management of contracts within Lewisham during 2012 and 2013. Recommendations were developed by the Committee and sent to Mayor & Cabinet after the 26 March 2013 Committee meeting where the final report was agreed. A response to the recommendations was received by the Committee on 25 September 2013.

5. Progress made against recommendations

- 5.1 Since the response in September 2013 (attached at **Appendix A**), which highlighted that many of the Committee's recommendations have been put in place, further progress has been made in implementing Recommendation 9:
- ProContract (an e-tendering system) is now in use and being rolled-out throughout the Directorates. The system allows suppliers to pre-register, at no cost. The system is currently being used by 18 London boroughs.

BACKGROUND PAPERS

Matters referred by the Public Accounts Select Committee – Managing Contract Review Final Report, Mayor and Cabinet, 22 May 2013

Response to Select Committee Fairness in Pay & Employment practices, Public Accounts Select Committee, 25 September 2013

Mayor & Cabinet		
Report Title	Response to Public Accounts Select Committee on Managing Contracts Review	
Key Decision	Yes	Item No.
Ward	All	
Contributors	Executive Director for Resources and Regeneration	
Class	Part 1	Date: 11 September 2013

1. Purpose

- 1.1 This report sets out the response from the Executive Director for Resources and Regeneration to the comments referred to the Mayor on the 22nd May 2013 by the Public Accounts Select Committee on managing contracts.
- 1.2 As part of the work programme for 2012/13, the Public Accounts Select Committee agreed to carry out a review looking at managing contracts in Lewisham. The review was scoped in June 2012 and evidence sessions held in October 2012 and January 2013

2. Recommendation

- 2.1 The Mayor is recommended to approve for submission to the Public Accounts Select Committee the responses on contracts management set out in this report.

3. Policy Context

- 3.1 The Sustainable Procurement Strategy 2012-16 outlines our aims and shows how procurement will contribute towards the Council's priorities in light of the numerous changes and challenges facing Lewisham. The Chief Executive's paper "Serving Lewisham Smarter" identified that the scale of savings required will necessitate a change in the scope and style of how Lewisham operates.
- 3.2 The refocused Sustainable Procurement Strategy is intended to respond to the current demands on the Council while sustaining strong ambitions for the borough, its communities and its people.
- 3.3 Getting procurement right is crucial for achieving the Council's vision to make Lewisham the best place in London to live, work and learn, and in particular to meet its priority to secure best value public services. Sustainable procurement that properly takes into account social, economic and environmental considerations can also help the Council meet wider objectives, offer opportunities for local businesses and regeneration, and minimise administrative costs.

4. Background

- 4.1. At the meeting of the Public Accounts Select Committee on 16th April 2012 the Committee resolved to undertake an in-depth review looking at how contracts are managed with Lewisham. At its meeting on 14th June 2012 the Committee approved the scoping report for the review.
- 4.2. Members were interested in how contracts were being monitored; how contract requirements were being enforced; and what the processes were around bringing contracts to an end. Contract management is becoming increasingly important as more council services are outsourced. Contracts for providing critical services for the public and council staff need to provide quality services and achieve value for money. Proactive contract management is needed to ensure that service expectations are met and that, if possible, further savings or social benefits are realised. Services face different challenges in managing contracts and the large number and diverse nature of council contracts means that different approaches have to be taken depending on the circumstances.
- 4.3. Throughout the review, the Committee should consider the following key questions:
 - How contracts are monitored
 - How contract requirements are enforced
 - How responsive is the contractor to complaints of public/staff
 - What procedures are in place for ending the contract
- 4.4. The evidence sessions on 10 October 2012 and 10 January 2013 provided information on the general approach taken by the council to managing contracts and how corporate oversight of the various contract management activities taking place is achieved. This was coupled with information on best practice in contract management and examples of previous scrutiny carried out in Lewisham and across the country into contract management. Additionally evidence was provided on contract case studies.
- 4.5. The Committee concluded its review and agreed its recommendations on Tuesday 26 March 2013.

5 Response to Sustainable Development Select Committee views

5.1 Recommendation 1.

Officers who manage contracts should receive training on and support to achieve effective management of contract and professional individual relationships between client and contractor and their staff.

Response 1.

Contract Management courses are provided by the Learning and Development section and on-going advice and guidance is provided by the corporate procurement team.

5.2 Recommendation 2.

Where practicable, there should be continuity of contact on the officer side throughout the contract, and across periods of contractor changeover. Where changes in personnel take place, suitable handover and overlap procedures should be used to ensure continuity of relationship.

Response 2.

Lewisham generally seeks to maintain continuity of officers involved in contract management and monitoring, however, where changes in personnel are necessary handover and overlap procedures are implemented

5.3 Recommendation 3.

Lewisham should seek to increase the appropriate transfer of risk to the contractor in its contracts, particularly for service and customer failures. Contracts should be flexible enough to allow changes in the risk profile during its life as confidence in the contractor and the client-contractor relationship increases, with allowance for commensurate changes in reward for the contractor.

Response 3.

Lewisham's response to risk is based on the principles of Project Management and the Risk Management Strategy; which includes within its mission statement :

"The Risk Management Policy of the London Borough of Lewisham is to adopt best practice in the identification, evaluation and cost-effective control of risks to ensure that losses are minimised and opportunities are maximised.

Risk will be considered in every aspect of our business to ensure that we can deliver excellent, efficient services and the authority's exposure to risk will be effectively managed."

Our contracts include variation clauses which are used to address changes in both service provision and risk issues throughout the life of the contract.

5.4 Recommendation 4.

The use of model contracts, case studies and other methods of transparently explaining the risk transfers in contracts to potential contractors should be used so that the contractors are able to price the risk appropriately and reasonably in the bidding processes. The council should feel sufficiently confident in its contractor relationship management experience to push contractors to not over price the risks in contracting with Lewisham.

Response 4.

Clear and concise specifications are used to ensure that potential contractors are aware of the Council's requirements and understand the associated risks and who is responsible for managing them.

The Council's standard terms and conditions have been updated to reflect the Council's duties and responsibilities under various pieces of legislation on equalities, health and safety, and environment and sustainability.

As well as the Council's standard terms and conditions, there are a number of nationally recognised Standard Forms of Contract available. These are considered wherever possible, as they will have been agreed by employers' and trade organisations, and will be known and readily accepted by potential contractors. Any standard form can still be amended (within reason) to suit local requirements.

5.5 Recommendation 5.

Lewisham should explore, where appropriate and on a case-by-case basis, passing the responsibility of handling the customer interface and dealing with the public to the contractor.

Response 5.

In a number of contracts, currently let by Lewisham, the service provider handles the customer interface, this is considered as part of the contract review prior to undertaking a procurement process. The following contracts include the customer interface :

- Agency Staff
- Facilities Management
- Leisure Services
- Parking Services
- Parks and Open Spaces

5.6 Recommendation 6.

Wherever possible, remedies for contract failure on customer facing contracts should demand restitution as well financial loss. Likewise, outstanding customer service should be rewarded in the contracting framework.

Response 6.

Under English contract law liquidated and ascertained damages can be levied on contractors who are under-performing. The law does not, however, permit LADs to be used as a punishment against the contractor. Consequently, LADs are only enforceable if they constitute a genuine pre-estimate of the loss or are a reasonable amount.

In other contractual arrangements there are default mechanisms where contract failure results in financial deductions from the management fee. This system incorporates a reporting system that identifies non-availability of facilities and/or performance failures, and which also shows the deductions to be made for these failures, which increase over time and can in extreme circumstances result in contract termination.

Where the contractor is made insolvent or enters administration then either a performance bond or parent company guarantee are invoked to mitigate any losses suffered by the Council.

Most Lewisham contracts have an option to extend the service period and this is dependant on satisfactory performance during the life of the contract.

5.7 Recommendation 7.

Cross-service unit 'contract champions' - those officers with substantial positive experience of successfully managing contracts and contractor-client relationships - should be encouraged to spread good practice, advise on contracting processes and drafts, and identify potential efficiencies or service improvements that could be gained from the contracting process.

Response 7.

This inter-action between contract managers occurs on an ad-hoc basis and they are engaged to provide advice and assistance to 'new' client officers. The Commissioning and Procurement Board, that meets monthly, with representatives from all the Directorates is the forum where 'good practice' is identified and disseminated. Client officers are actively involved in reviewing service needs and identifying service improvements.

5.8 Recommendation 8.

There should be increased use of incentives in contracts, where profit for the contractor is generated only after the contractor has achieved specified performance levels.

Response 8.

Lewisham has included incentives within it's contracts for a number of years, including profit share (Downham Lifestyles Centre). Recently the Government has encouraged the use of 'Payment by Results' and certain contracts have incorporated this concept. The Head of Crime Reduction and Supporting People leads for the Council on this concept, and chairs the PbR Board, looking at how this style of contracting can be implemented across Council services.

5.9 Recommendation 9.

The tendering interest register that is being created should advertise upcoming tendering opportunities available with the council and allow companies to be able to register their interest in fulfilling them.

Response 9.

The e-tendering system will be used to advertise upcoming tendering opportunities, and companies will be able to register.

5.10 Recommendation 10.

Lewisham's Procurement Strategy should be updated to reflect the changed and constrained circumstances of the Council.

Response 10.

Lewisham's Procurement Strategy was updated in recent months to reflect changes in Council funding and as well the impact of new legislation, including the Localism Act and the Public Services (Social Value) Act.

5.11 Recommendation 11.

Due to the obligation to the public by contractors who are delivering public services and spending public funds, contracts between the Council and their contractors should be as open and transparent as possible. This should include open contract specification documents, the understanding that contractors have a responsibility to be accountable to public scrutiny and the expectation that contractors should address public scrutiny and queries in a meaningful way.

Response 11.

Lewisham regularly includes contract clauses that provide open book accounting and access to contractor records and documentation. Contracts also include the requirement to facilitate the Freedom of Information Act (FOIA). The Act provides a general right of access to information on public contracts and procurement activity held by public authorities, subject to certain conditions. This means that the Council will be obliged under the Act to release certain information about the suppliers it contracts with, into the public domain, within certain limits and according to relevant exemptions.

6 Legal implications

- 6.1 The Constitution provides for Select Committees to refer reports to the Mayor and Cabinet, who are obliged to consider the report and the proposed response from the relevant Executive Director; and report back to the Committee within two months (not including recess).
- 6.2 The Equality Act 2010 (the Act) introduced a new public sector equality duty (the equality duty or the duty). It covers the following nine protected characteristics: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual

orientation. In summary, the Council must, in the exercise of its functions, have due regard to the need to:

- eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act.
- advance equality of opportunity between people who share a protected characteristic and those who do not.
- foster good relations between people who share a protected characteristic and those who do not.

6.3 The duty continues to be a “have regard duty”, and the weight to be attached to it is a matter for the Mayor, bearing in mind the issues of relevance and proportionality. It is not an absolute requirement to eliminate unlawful discrimination, advance equality of opportunity or foster good relations.

6.4 The Equality and Human Rights Commission has recently issued Technical Guidance on the Public Sector Equality Duty and statutory guidance entitled “Equality Act 2010 Services, Public Functions & Associations Statutory Code of Practice”. The Council must have regard to the statutory code in so far as it relates to the duty and attention is drawn to Chapter 11 which deals particularly with the equality duty. The Technical Guidance also covers what public authorities should do to meet the duty. This includes steps that are legally required, as well as recommended actions. The guidance does not have statutory force but nonetheless regard should be had to it, as failure to do so without compelling reason would be of evidential value. The statutory code and the technical guidance can be found at:

<http://www.equalityhumanrights.com/legal-and-policy/equality-act/equality-actcodes-of-practice-and-technical-guidance/>

6.5 The Equality and Human Rights Commission (EHRC) has previously issued five guides for public authorities in England giving advice on the equality duty:

1. The essential guide to the public sector equality duty
2. Meeting the equality duty in policy and decision-making
3. Engagement and the equality duty
4. Equality objectives and the equality duty
5. Equality information and the equality duty

6.6 The essential guide provides an overview of the equality duty requirements including the general equality duty, the specific duties and who they apply to. It covers what public authorities should do to meet the duty including steps that are legally required, as well as recommended actions. The other four documents provide more detailed guidance on key areas and advice on good practice. Further information and resources are available at:

<http://www.equalityhumanrights.com/advice-and-guidance/public-sectorequality-duty/guidance-on-the-equality-duty/> "

Public bodies such as local authorities are legally required to consider the three aims of the Public Sector Equality Duty (set out in the Equality Act 2010) and document their thinking as part of any decision-making processes. The Act sets out that public bodies must have due regard to the need to:

- eliminate unlawful discrimination, harassment and victimisation;
- advance equality of opportunity between people who share a protected characteristic and those who do not share that characteristic; and

- foster good relationships between those who share a protected characteristic and those who do not share that characteristic.
- 6.7 The following equalities characteristics are 'protected' from unlawful discrimination in service provision under the Equality Act 2010: age; disability; gender reassignment; pregnancy and maternity; race; religion and belief; gender; and sexual orientation.

7 Financial Implications

- 7.1 There are no specific financial implications arising from this report.

8 Equalities Implications

- 8.1 The Council's Comprehensive Equality Scheme for 2012-16 provides an overarching framework and focus for the Council's work on equalities and helps ensure compliance with the Equality Act 2010.
- 8.2 The Council's Equalities objectives are addressed in contract documentation and form part of the criteria used in the pre-tender evaluation process. The criteria usually include the following aspects:
- Compliance to equality and non-discrimination laws
 - Any findings of unlawful discrimination against the tenderer
 - Formal investigation for unlawful discrimination
 - Equality opportunity policies and where they are set out for employees
 - Equalities and non-discrimination codes of practice
 - Workforce monitoring.
- 8.3 The response in paragraph 5.4 sets out that "Clear and concise specifications are used to ensure that potential contractors are aware of the Council's requirements and understand the associated risks and who is responsible for managing them.
- "The Council's standard terms and conditions have been updated to reflect the Council's duties and responsibilities under various pieces of legislation". This includes the Equality Act 2010.

9 Environmental implications

- 9.1 There are no specific environmental implications arising from this report.

10. Conclusion

- 10.1 The management of contracts is imperative in providing the highest level of service to our residents and the Public Accounts Select Committee's review has provided an opportunity to reconsider our approach but also to show how this activity has kept pace with both legislative and policy changes. .

Background documents

Short Title Document	Date	File Location	File Reference	Contact Officer	Exempt
Managing Contracts – review and recommendations	2013	Civic Suite		Andrew Hagger	No
Managing Contracts – evidence sessions	2012 / 2013	Civic Suite		Andrew Hagger	No

If you have any queries on this report, please contact Andy Murray, Procurement Strategy Manager, 4th floor Laurence House, 1 Catford Road, Catford SE6 4RU – telephone 020 8314 8133.

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