



# Havering

LONDON BOROUGH

## Notice of Non-Key Executive Decision

<b>Subject Heading:</b>	<b>Variation to existing contract (HAV043744) for Adult Skills Funded construction courses 2025-26</b>
<b>Decision Maker:</b>	Trevor Cook, Assistant Director of Starting Well
<b>Cabinet Member:</b>	Cllr Oscar Ford, Cabinet Member for Children and Young People
<b>ELT Lead:</b>	Tara Geere, Director of Starting Well
<b>Report Author and contact details:</b>	Bradley Burton, Quality & Curriculum Manager <a href="mailto:Bradley.Burton@havering.gov.uk">Bradley.Burton@havering.gov.uk</a>
<b>Policy context:</b>	Approval to create a variation to the existing contract for Specialist Trade Courses Ltd. to deliver additional Adult Skills Funded construction courses.
<b>Financial summary:</b>	Existing contract value <b>HAV043744</b> is £65,636. Variation requested to add maximum additional value of £60,000, and minimum additional value of £48,000.
<b>Relevant Overview &amp; Scrutiny Sub Committee:</b>	People OSSC
<b>Is this decision exempt from being called-in?</b>	<i>The decision will be exempt from call in as it is a Non key Decision</i>

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**The subject matter of this report deals with the following Council Objectives**

People - Supporting our residents to stay safe and well -  
**X**

Place - A great place to live, work and enjoy

Resources - Enabling a resident-focused and resilient Council

## Part A – Report seeking decision

### DETAIL OF THE DECISION REQUESTED AND RECOMMENDED ACTION

For the reasons detailed in this report, the Assistant Director of Starting Well is recommended to agree:

- To the variation of the existing 2025/26 academic year contract between the Council and Specialist Trade Courses Limited (STC). The existing contract has a value of £65,636 and ends on 31<sup>st</sup> July 2026. The variation to contract will add a maximum additional value of £60,000 and a minimum additional value of £48,000. The end date of 31<sup>st</sup> July 2026 will remain unchanged.

### AUTHORITY UNDER WHICH DECISION IS MADE

#### 3.3.3 Powers common to all Strategic Directors

4.2 - To award all contracts with a total contract value of below £1,000,000 other than contracts covered by Contract Procedure Rule 16.3. This delegation shall include the ability to extend or vary a contract up to and including a value of £1,000,000 (provided that the extension is in line with the existing contractual provisions).

### STATEMENT OF THE REASONS FOR THE DECISION

The Havering Adult College (HAC) is an adult education service delivered by Local Authority staff, managing a range of national and local priorities and implements the statutory powers of the Local Authority (LA) to secure full and part time education suitable to the requirements of persons who have reached the age of 19. The Council receives funding from the Greater London Authority (GLA) and Department for Education (DfE) to deliver appropriate adult learning courses, some of which are delivered by HAC. In discharging its statutory power, the Council sub-contracts a portion of its funding to approved providers.

Havering Adult College has been implementing sub-contracting arrangements successfully since 2010. Sub-contractors are commissioned via the LA's procurement framework as mandated by the Council's contract procedure rules. In line with GLA/DfE guidance, contracts are awarded for specialist curriculum offers which HAC unable to deliver as effectively as a contractor can.

HAC actively manages these sub-contracts throughout the year to ensure value for money and high-quality delivery. The contract management process includes a regular review of performance data which includes earned grant funding, learner numbers and success rates. Contract review meetings with the provider are held monthly to discuss

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any performance issues and to record agreed actions. Value for money is demonstrated through the provider's achievement of contracted targets (the amount earned per learner is a fixed rate determined externally by the Department for Education and is not variable).

Other aspects of the provider's delivery are also discussed at the review meetings, including quality, safeguarding and health and safety, and the relevant managers from the Havering Adult College also attend provider sites to monitor performance for their relevant specialist area. Havering Adult College and any subcontractor are also covered within the remit of Ofsted, and as such, both are subject to external scrutiny and audit to ensure compliance and quality.

Havering Adult College receives two separate Adult Skills Fund grants due to its proximity bordering both devolved and non-devolved authorities (London/GLA and Essex/DfE). The GLA ASF grant of £1,206,255.00 is for eligible adults residing in London postcodes only. The DfE ASF grant of £137,961.00 is for eligible adults residing in Essex or other non-devolved authorities.

Specialist Trade Courses have indicated a demand for construction programmes for learners residing in the non-devolved areas outside of Havering that Havering Adult College aren't yet able to reach through alternative online provision.

A change in contractor cannot be made as it would cause significant inconvenience to the Council. The Council has existing supplier management, governance, compliance, due diligence, learner referral and quality assurance frameworks in place that cannot be transferred before the contract end date.

For the reasons set out above, the decision maker is requested to authorise Havering Adult College to add the additional maximum and minimum values to the existing contract for Specialist Trade Courses to deliver ASF grant funded construction programmes to DfE eligible adult learners.

**Existing contract:** HAV043744

**Maximum additional value:** £60,000

**Minimum additional value:** £48,000

The proposed contract variation includes both a minimum and maximum value to allow the Authority to manage funding responsibly while retaining flexibility to respond to evolving training requirements.

A minimum value of £48,000 has been established to reflect the core level of training provision that the Authority is certain will be required during the variation period. This amount represents the baseline commitment necessary to ensure continuity of service and delivery of essential training outputs.

A maximum value of £60,000 has been set to provide a controlled ceiling for additional training provision that may be required as operational needs emerge. The difference between the minimum and maximum values allows the Authority to access further services on an as-needed basis without over-committing public funds. Use of any value

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above the minimum will be determined through monthly performance meetings with the Supplier.

**OTHER OPTIONS CONSIDERED AND REJECTED**

Do nothing – not recommended.

Havering Adult College is not equipped to deliver construction courses itself, or to deliver the amount of alternative online provision required to meet the DfE contractual target for eligible learners outside of Havering. If this target is not met by the contract end date of 31<sup>st</sup> July 2026, the DfE will claw back any unspent funds and likely reduce future ASF grant allocations.

**PRE-DECISION CONSULTATION**

No formal consultation has taken place.

**NAME AND JOB TITLE OF STAFF MEMBER ADVISING THE DECISION-MAKER**

Name: Bradley Burton

Designation: Quality & Curriculum Manager, Havering Adult College

Signature: 

Date: 23/02/2026

## Part B - Assessment of implications and risks

### LEGAL IMPLICATIONS AND RISKS

The Council has the power to vary the contract under s111 of the Local Government Act 1972 which permits the Council to do anything which is calculated to facilitate, or is conducive or incidental to, the discharge of any of its functions.

The Council also has a general power of competence under Section 1 of the Localism Act 2011 to do anything an individual can do, subject to any statutory constraints on the Council's powers. None of the constraints on the Council's s.1 power are engaged by this decision.

The original contract value falls below the relevant threshold set out in the Procurement Act 2023 (PA), and is therefore not subject to the full implications of the PA 2023.

In line with the Council's Contract Procedure Rules, officers have confirmed that a change in contractor cannot be made as it would cause significant inconvenience to the Council, and the variation does not exceed 50% of the original contract value.

For the reasons set out above, the Council can vary the contract and increase its maximum value.

### FINANCIAL IMPLICATIONS AND RISKS

The terms of the grant agreement with the Greater London Authority and Department for Education permit the Council to sub-contract provision of some of the courses. As such, the grant passes to the Local Authority to fund the Adult Skills Fund funded provision. The expenditure for this specialist curriculum offer is expected to be between £48,000 and £60,000 for the 25/26 academic year (this figure is the **net** value after College management fees have been deducted).

Contract monitoring processes are in place whereby the Havering Adult College monitors expenditure and quality of all its sub-contractors and takes actions to address any issues identified. The funding agency also requires an external audit be undertaken annually for compliance, supporting transparency. Value for money in terms of quality is addressed as part of this monitoring process. As stated above, amounts paid for each qualification will be based on the funding methodology and as such are "uncontrollable" within set parameters. The subcontracted provision falls within the remit of Ofsted, and is monitored under the terms of their Inspection Framework as well.

The financial risk of not awarding the contract is that the College would be unable to meet the demands of its own contract allocations. This could result in grant monies being clawed back, and reduced grant allocations in future years.

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An identified risk to the provision of the finances would be if the sub-contractor was unable to fulfil its delivery of the provision (due to closure, for example). In the event of this, any sub-contractor has to have a business continuity plan that safeguards enrolled learners who would otherwise be at risk of missing out on their qualification. Sub-contractor business continuity plans are approved as fit for purpose as part of the due diligence process completed for all sub-contractors for Havering.

The costs for provision of the courses will be funded from the DfE grant to the Adult College for the Academic year 2025/26. This grant totals £137,961.00 and is held on A30910 HCAE Central Office cost centre.

### **HUMAN RESOURCES IMPLICATIONS AND RISKS (AND ACCOMMODATION IMPLICATIONS WHERE RELEVANT)**

There are no direct Human Resources implications or risks to the Council, or its workforce, arising from the recommendations made in this report, that can be identified at this time.

### **EQUALITIES AND SOCIAL INCLUSION IMPLICATIONS AND RISKS**

The Public Sector Equality Duty (PSED) under section 149 of the Equality Act 2010 requires the Council, when exercising its functions, to have 'due regard' to:

- (i) The need to eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Equality Act 2010;
- (ii) The need to advance equality of opportunity between persons who share protected characteristics and those who do not, and;
- (iii) Foster good relations between those who have protected characteristics and those who do not.

Note: 'Protected characteristics' are age, sex, race, disability, sexual orientation, marriage and civil partnerships, religion or belief, pregnancy and maternity and gender reassignment.

The Council is committed to all of the above in the provision, procurement and commissioning of its services, and the employment of its workforce. In addition, the Council is also committed to improving the quality of life and wellbeing for all Havering residents in respect of socio-economics and health determinants.

An EHIA (Equality and Health Impact Assessment) is usually carried out, but on this occasion is not required.

The Council seeks to ensure equality, inclusion, and dignity for all in all situations.

There are no equalities and social inclusion implications and risks associated with this decision

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**ENVIRONMENTAL AND CLIMATE CHANGE IMPLICATIONS AND RISKS**

As the delivery of contracted services will be undertaken entirely by the successful bidder, they will be required to submit their environmental or climate policy as part of the application and evidence how this aligns with the council's approach to tackling climate change.

**BACKGROUND PAPERS**

**APPENDICES**

N/A

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**Part C – Record of decision**

I have made this executive decision in accordance with authority delegated to me by the Leader of the Council and in compliance with the requirements of the Constitution.

**Decision**

Proposal agreed

*Delete as applicable*

**Details of decision maker**

Signed



Name: Trevor Cook

~~Cabinet Portfolio held:~~

~~CMT Member title:~~

~~Head of Service title~~

Other manager title: AD Education Services

Date: 1<sup>st</sup> April 2026

**Lodging this notice**

The signed decision notice must be delivered to Committee Services, in the Town Hall.

**For use by Committee Administration**

This notice was lodged with me on \_\_\_\_\_

Signed \_\_\_\_\_

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