

Questions raised by Councillor Petru Eugen Dinsorean.

Cllr Dinsorean submit a formal call-in requisition concerning the executive decision for the Procurement of Synergy Education Management System.

Other Councillors supporting this call-in are:

1. Councillor Petru Eugen Dinsorean
2. Councillor Henry Williams
3. Councillor Alex Donald
4. Councillor Iurie Bivol
5. Councillor Khuram Amin
6. Councillor John Tyler
7. Councillor Lesley Tyler

The principal grounds for the call in were:

1. Decision-making authority

Clarification is required from the Monitoring Officer regarding whether the decision-maker possessed the necessary delegated authority, taking account of the complete VAT-inclusive contract value and the relevant constitutional and procurement thresholds.

2. Financial inconsistency

The published decision contains an apparent £100,000 inconsistency between the stated extension subtotal and the annual extension figures. The financial information should be corrected and formally verified before implementation.

3. Supplier identity

Clarification is required regarding the precise legal entity receiving the contract and whether that entity is correctly appointed under the relevant YPO framework lot.

4. Direct award and value for money

The published report does not provide sufficient like-for-like, whole-life cost evidence to demonstrate that the proposed five-year direct award represents the best available value for the Council.

5. Procurement, contractual and governance safeguards

Further evidence is required regarding the direct-award assessment, funding risks, social value, data security, service resilience, contract performance and exit arrangements.

Responses to questions raised by Cllr Dinsorean

Q1. Decision-Making Authority

- 1.The original report stated the contract value excluding VAT, which is below the £1 million threshold. However, it is acknowledged that when VAT is included the total contract value exceeds £1 million. To ensure transparency the Key Executive Decision report has been amended to include the full VAT-inclusive contract value.
- 2.The values in the Financial Scheme of Delegation (Constitution Part 3, paragraph 4) are expressed as figures net of VAT. This is because VAT is reclaimable by the Council and the delegation value reflects the actual cost to the Council.
- 3.The Contract Procedure Rules express total contract values as inclusive of VAT. This is because the procurement legislation thresholds are expressed as inclusive of VAT. There is an error in the table at paragraph 8.2 (which is intended to reproduce the Part 3 delegation) of the Contract Procedure Rules. The table records the £1 million delegation value as inclusive of VAT. Officers will take steps to address this administrative error. The Monitoring officer has been consulted and is satisfied with the approach being taken.
- 4.In light of the above, the Strategic Director of People has authority to award the contract.
- 5.The Financial Scheme of Delegation permits further delegation of delegated powers by Strategic Directors. (Constitution Part 3, 3.3.2 paragraph 5) subject to record of delegation in writing being lodged with the Monitoring Officer. A sub delegation for all of Part 3.3.3 from Barbara Nicholls, Strategic Director of People to Tara Geere, Director of Starting Well dated 3 April 2024 is held by Democratic Services. Tara Geere also therefore has authority to award the contract.
- 6.It is noted that Councillor Kevin Gill, Cabinet Member for Children's Services, has indicated he wishes to be the decision maker. Cllr Gill has authority to make the decision and the report has been amended accordingly.

Q2. Financial Inconsistency

- 7.The discrepancy identified in the published report resulted from a typographical error. The extension period value was incorrectly stated as **£256,101.66** when the correct figure is **£356,101.66**, which aligns with the annual extension costs contained within the pricing schedule and contract documentation. The Key Executive Decision report has been amended to correct this error and accurately reflect the full contract value.

Q3. Supplier Identity

- 8.Access UK Limited is the legal contracting entity and the party named within the contract documentation. "The Access Group" is the supplier's trading name and was referenced in parts of the procurement documentation for ease of recognition. The Key Executive Decision report has therefore been amended to consistently refer to **Access UK Limited** as the supplier to remove any ambiguity.

9. Access UK Limited is the framework supplier appointed under the YPO Software Application Solutions Framework (001095) and is the correct legal entity receiving the contract award.

Q4. Direct Award and Value for Money

10. In response to the concerns raised, the Key Executive Decision report has been updated to provide a clearer five-year like-for-like comparison and strengthen the value-for-money rationale supporting the direct award.

11. A market appraisal was undertaken through the YPO framework, considering alternative suppliers including CACI and LiquidLogic. The assessment considered not only software licence costs but also implementation costs, migration costs, integration requirements, staff retraining, operational disruption and business continuity risks. The outcome concluded that retaining the existing Synergy platform represented the most economically advantageous solution when whole-life costs were considered.

12. The assessment identified that migration to an alternative platform would require extensive data migration, system reconfiguration and retraining across all schools, early years providers and multiple statutory education functions. The current platform already supports School Admissions, SEND, Free School Meals, Early Years Funding, safeguarding and pupil tracking services, avoiding significant transition and implementation costs whilst ensuring continuity of statutory service delivery. The Key Executive Decision report has therefore been amended to include a five-year like-for-like comparison demonstrating the value-for-money case for retaining the incumbent supplier.

Q5. Procurement, Contractual and Governance Safeguards

13. Additional assurance can be provided regarding the procurement process and the contractual, governance and operational safeguards that will apply throughout the contract term.

Procurement Safeguards

14. The contract is being awarded through the YPO Software Application Solutions Framework (001095), which is a fully compliant public procurement route. The framework permits direct award and was selected following procurement advice and benchmarking against alternative framework options. The procurement process included market appraisal, framework benchmarking and assessment of alternative suppliers before concluding that Access UK Limited offered the best overall value when whole-life costs and operational risks were taken into account.

Funding and Financial Safeguards

15. The contract is funded through the Dedicated Schools Grant (DSG) and does not place pressure on the Council's General Fund. The contract incorporates fixed pricing arrangements for the initial term, providing cost certainty and protection from inflationary increases. Financial due diligence has also been completed through the framework provider as part of the framework assurance process.

Social Value Commitments

16.The supplier has committed to a range of measurable social value benefits, including:

- £2,000 per annum contribution to the Live Well Havering Community Chest during the initial contract term.
- Digital awareness and online training resources for residents and community groups.
- Employability support including CV-writing and mock interview workshops for young people.
- Dedicated social value governance through an appointed Social Value Coordinator.
- Annual reporting on delivery of social value commitments.

Data Security and Information Governance

17.A Data Protection Impact Assessment (DPIA) has been completed for the contract. The Council remains the Data Controller and Access UK Limited acts as Data Processor. The contract contains a dedicated Data Protection Schedule requiring compliance with UK GDPR and the Data Protection Act 2018. It includes provisions covering data security, breach notification, processor obligations, audit rights, confidentiality, international data transfers and sub-processor management.

Security measures include:

- Role-based access controls.
- Audit logging.
- Multi-factor authentication capability.
- TLS 1.2 encryption for data in transit.
- Encrypted storage and AES-256 encrypted backups.
- Security monitoring and penetration testing.
- Segregated customer environments and strict access controls.

18.Primary hosting and backup arrangements are located within UK data centres, providing assurance regarding data residency and resilience.

Service Resilience and Business Continuity

19.The contract requires Access UK Limited to maintain a Security Management Plan, Business Continuity Plan and Disaster Recovery arrangements. The supplier operates dual UK data centres, encrypted backups and recovery arrangements designed to minimise disruption to critical education services. The Council's DPIA records recovery targets of up to four hours recovery time objective (RTO) and thirty minutes recovery point objective (RPO).

20.The supplier has demonstrated strong performance under the existing contract, with no significant service failures reported and continued compliance with national admissions and statutory education requirements.

Contract Performance Management

21.The supplier's performance will continue to be monitored through contract management arrangements, service reporting, framework requirements and service-level obligations. The contract includes provisions allowing the Council to issue improvement notices, require

remedial action, undertake audits and terminate the contract in the event of material breach or poor performance.

Exit and Data Recovery Arrangements

22.The contract includes formal exit provisions to protect the Council's interests at contract expiry or termination.

These arrangements include:

- Return of Council data in an industry-recognised format.
- Support for migration to any replacement solution.
- Return and subsequent secure deletion of Council data.
- Deletion of hosted databases and backups in accordance with the supplier's exit policy.
- Continued cooperation with the Council to ensure an orderly transition and continuity of statutory services.

Publication of Financial Information

23.In accordance with the Council's transparency requirements, the overall contract value will continue to be included within the Key Executive Decision report. However, the detailed pricing schedule, unit rates, supplier commercial information and other financially sensitive breakdowns are considered commercially confidential information. Publication of this level of detail could prejudice the Council's commercial position and the supplier's legitimate commercial interests. Accordingly, whilst the total contract value remains publicly available, the detailed financial breakdown should be contained within an exempt appendix and withheld from publication under the relevant provisions of the Local Government Act 1972 relating to commercially sensitive information.

Overall Position

24.The issues raised have been reviewed and addressed through amendments to the Key Executive Decision report. The revised report:

- Confirms the appropriate decision-making authority.
- Corrects the identified financial error.
- Clarifies the legal identity of the supplier.
- Strengthens the whole-life cost and value-for-money assessment.
- Provides further evidence regarding procurement, governance, financial, contractual, operational, information governance and exit safeguards.
- Confirms that the overall contract value will remain publicly available within the Key Executive Decision report in the interests of transparency, whilst detailed pricing schedules and commercially sensitive financial information will be contained within an exempt appendix to protect the Council's and supplier's legitimate commercial interests.
- Provides updated legal advice clarifying the route via which award from a framework procured under superceded procurement legislation is lawful.

25. Taken together, these amendments provide assurance that the procurement has been undertaken through a compliant framework route, that appropriate governance and contractual protections are in place, that commercially sensitive information is appropriately protected through the use of an exempt appendix where required, and that the Council's statutory education services will continue to be delivered safely, securely and efficiently throughout the contract lifecycle.