

REPORT TITLE: Contract Management Arrangements Update

Meeting:	Corporate Governance and Audit Committee
Date:	28 November 2025
Cabinet Member (if applicable)	Cllr Nosheen Dad Portfolio Holder for Adults and Corporate
Key Decision Eligible for Call In	No No
Purpose of Report This report provides an update to the committee on the work undertaken in relation to the Auditors' recommendation regarding contract management and to obtain feedback from the committee.	
Recommendations That committee are asked to: - <ul style="list-style-type: none"> • Consider and note the contents of the report. • Provide feedback and comments on the Council's response to the external auditor's recommendation. 	
Reasons for Recommendations To ensure the committee is sighted and has input into the contract management process based on their experience as an audit committee.	
Resource Implications: There are no direct resource implications.	
Date signed off by <u>Executive Director</u> & name	Rachel Spencer-Henshall – Deputy Chief Executive and Executive Director for Public Health and Corporate Resources 17/11/25
Is it also signed off by the Service Director for Finance?	Kevin Mulvaney – Service Director Finance 17/11/25
Is it also signed off by the Service Director for Legal Governance and Commissioning (Monitoring Officer)?	Samantha Lawton – Service Director Legal & Commissioning 16/11/25

Electoral wards affected: All

Ward councillors consulted: Not applicable

Public or private: Public

Has GDPR been considered? Yes

1. Executive Summary

1.1 The Auditors' Annual Report 2023/24 provided the recommendation below in relation to contract management.

1.2

Improvement Recommendation 9	The council should develop an action plan to address the weaknesses in contract management arrangements and ensure that the actions are delivered consistently and at pace, including lack of contract management with the District Heating Service This requires further cross-Council action.
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1.3 In response to the recommendation, a Contract Management Transformation Project was established in April 2025 to drive improvement across the organisation. The initiative focused on laying strong foundations and embedding core principles to better support colleagues involved in contract management activities.

1.4 A detailed action plan was developed and a stakeholder team established, to ensure delivery of key milestones and outcomes at pace. The development of supporting resources was informed by a comprehensive benchmarking exercise, drawing on public sector best practice from the governments National Procurement Policy Statement, Crown Commercial Services (CCS), the Cabinet Office, Local Partnerships, and other Local Authorities.

1.5 The current model of contract management responsibilities remains within service directorates responsibility and continues with more robust and clear governance arrangements in place.

2. Information required to take a decision

2.1 The project divided the work into different work streams to address the recommendation.

Learning Resource

2.2 We have created a comprehensive learning resource to support colleagues in understanding key processes, roles, and expectations related to effective contract management. This is available to all Council staff online via the MyLearning platform.

2.3 The learning resource has been promoted alongside a free supplementary training opportunity offered by the Crown Commercial Service, enabling colleagues to deepen their understanding of contract management and enhance their professional development.

Contract Management Framework

- 2.4 The Procurement Team has designed and implemented a risk tiering tool to assess and categorise contracts based on potential exposure to financial, operational and other risks. They have designed and developed a Contract Management Framework, which provides a consistent and scalable approach across teams and service areas, to ensure contracts are being managed more consistently. The framework is attached at **Appendix A**.
- 2.5 The Procurement Team has developed a suite of practical tools and templates to empower staff in managing contracts more confidently and efficiently.

Governance Framework

- 2.6 Arrangements are now in place for the Procurement Team to attend Senior Leadership Team meetings on a quarterly basis to report on current contracts, data inconsistencies and enable directorates to have increased oversight and accountability in relation to contract management. Senior Leadership Team (SLT) meetings are meetings held by each Executive Director with their Service Directors to discuss upcoming reports and decisions and other operational issues.
- 2.7 The project team collaborated with the Contract Assurance & Oversight Board to update and refresh the strategic governance framework, ensuring that contract breaches and waivers are formally monitored, recorded, and addressed in line with organisational standards. This includes annual reporting from 26/27 to Members which is new and updated Terms of reference for the Contract Assurance & Oversight Board. A copy is attached at **Appendix B**.

Data Management

- 2.10 The contracts register has been reviewed, updated and refined to enhance data quality and improve the visibility of contract-related information. A dedicated Business Support role has been recruited and allocated to maintain the accuracy and integrity of the register on an ongoing basis within the Procurement Team. The register is now published online regularly in Excel format in addition to its availability via the e-Tendering portal and is available via a dedicated procurement web page which brings together all procurement related information in one place.
- 2.11 To enhance transparency and oversight, tailored dashboards are currently being developed for each service area, providing a clear view of essential contract information. This will include expiry dates, renewal timelines and extension information. These dashboards will support proactive contract management by increasing visibility of renewal dates and help identify any agreements that exist but have not yet been formally recorded on the central register.
- 2.12 Work has commenced and is ongoing to map current SAP spend data against the live contract data from the Contracts Register. This aims to improve transparency and oversight by providing a clearer view of contract-related expenditure, enabling more effective contract monitoring.

2.13 Implications for the Council

2.1 Council Plan

The refreshed Contract Management Framework and governance will support the Council Plan by using contract management activity to help achieve the Council's wider objectives and outcomes and delivering contracts efficiently and effectively.

2.2 **Financial Implications**

None directly

2.3 **Legal Implications**

The Council is required to ensure its procurement practices are undertaken in accordance with the Local Government Act 1988, the Procurement Act 2023, the Public Contracts Regulations 2015, the Provider Selection Regime and any associated guidance and policy notes that are issued by the Cabinet Office.

2.4 **Climate Change and Air Quality**

None directly

3.5 **Other (e.g. Risk, Integrated Impact Assessment or Human Resources)**

None directly

3. **Consultation**

N/A

4. **Engagement**

Engagement has been conducted with a number of services and stakeholders across the organisation, Yorkshire and Humber Contract Management Subgroup, the Portfolio Holder, other Local Authorities alongside consideration of the government National Procurement Policy Statement which sets out some principles in relation to Contract management and the Corporate Governance and Audit committee.

5. **Options**

5.1 **Options considered**

N/A

5.2 **Reasons for recommended option**

N/A

6. **Next steps and timelines**

6.1 The contract management improvements will continue within the transformation work including examining contract management roles and resource planning and will be reported to Directorate Change Board chaired by the Deputy Chief Executive and Executive Director for Public Health and Corporate Resources. The approach and learning will continue to be evaluated and reviewed at the end of the year to monitor and identify uptake, usage patterns, and feedback to identify gaps and opportunities for improvement.

6.2 Procurement will establish a cross-service Contract Management Network which will be a quarterly forum with representation from across the council to share insights and lessons learned, promote consistency and collaboration and embed best practice across the

organisation.

- 6.3 Evaluate the effectiveness of the refreshed governance and contract management framework once it has been embedded in practice and identify any further enhancements through the transformation programme.

7 Contact officer

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8 Background Papers and History of Decisions

N/A

9 Appendices

Appendix A – Contract Management Framework
Appendix B – Strategic Governance Framework

10 Service Director responsible

Samantha Lawton, Service Director Legal, Governance & Commissioning