

## Facilitating best value: Hertfordshire schools handbook of central contracts and services

This handbook was developed in the 2015/16 financial year to facilitate best value across Hertfordshire schools by detailing central contracts and services commissioned and procured by the Council.

In addition to details of central contracts, this handbook provides benchmarking information for each contract and useful tips for reducing back office and running costs. The handbook is one of the outputs of a broader programme to support schools seeking to effectively manage the financial challenges of flat-cash funding.

As evidenced in the DfE's [review of efficiency in the schools system](#), there can be significant variation in spend by schools on comparable goods and services. To ensure that each school achieves best value for money, the following advice is recommended:

- **collaborate** and obtain better deals by increasing purchasing power
- **share** goods and staff resource e.g. SENDco or caretaker between a group of schools
- **bulk buying is recommended**, as suppliers often give a discount as volume based unit prices are common in supplies
- **source several quotes for** goods or services as better deals can be achieved
- **schools should first of all contact central Council contracts** and follow national or regional frameworks for procuring goods and services. These have been negotiated to deliver the best deals that will save time and resources and reduce overall procurement risk

A guide to [effective buying for schools](#) was published by the DfE in May 2015 and provides useful further information.

### Management information

Schools can access their management information benchmarked against other Hertfordshire schools at <http://www.thegrid.org.uk/info/edcs/index.shtml>. This information provides a useful first step in understanding where efficiencies need to be reviewed and driven. Passwords can be obtained from: [corporate.informationsservices@hertfordshire.gov.uk](mailto:corporate.informationsservices@hertfordshire.gov.uk)

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## **1. Hertfordshire County Council central contracts**

Hertfordshire County Council (HCC) operates a number of central contracts that schools are able to buy-into. A series of central contracts offer schools the following advantages:

- duplication of efforts in buying goods and services across all schools is greatly reduced
- the risk of procurement challenge is minimised for schools choosing to buy-into contracts
- specifications are developed by specialist staff to ensure that risks are minimised and contracts are procured in-line with law, best practice and Council policies e.g. data protection for IT related contracts
- bulk buying strengthens the position of the buyer and can deliver better value for money

## a. Energy

### Gas and electricity

The gas and electricity contracts are managed by the Energy Management Team (EMT) who is in the property department within HCC. The EMT is responsible for all aspects of the energy contracts, including procurement, bill payment, query resolution and statutory reporting, amongst others.

The contracts are procured through a consortium called LASER, part of Kent County Council. The LASER Energy Buying Group are specialists in the energy industry with over 25 years of public sector energy procurement experience and have a portfolio of over 115 local authorities, which gives it a considerable advantage in bulk purchasing of behalf of its members.

The EMT has just completed an exercise which involved speaking with schools and school's forum with regard to entering a new framework agreement to supply gas and electricity with Laser for the period 2016-2020 and have had over 98% positive response from schools who want to continue with the service.

Whilst a lot of work is being done with regard to group purchasing to gain the lowest price for the authority, there are practical things schools can do to reduce consumption and as such further lower energy costs and in turn also carbon emissions. Below is a small list of basic things for each school to consider. Initially behavioural changes can have a big impact for no cost alongside the physical building changes that will need some kind of investment. Further information on these and other efficiency schemes can be found on the grid via the link below.

<http://www.thegrid.org.uk/info/premises/energy/news.shtml>

- **Appliances and lights** should be turned off when not needed – this is the most basic but effective piece of advice for a school and includes lights, pc's, laptop chargers and monitors. Although simple advice, this works, especially on weekends and school holidays
- **boiler/thermostat settings should be checked** to ensure they are correct for a school's usage
- **doors and windows should be closed** while the heating is on
- **regular meter reads** should be taken and then checked against bills on Systems Link – even if a school has an AMR this should be done monthly to avoid incorrect over/under billing

- **even if a school has an AMR**, this should be monitored regularly. A school should check that the heating is not coming on at strange times of the night or at weekends which should be adjusted appropriately
- **energy champions** can be developed through getting children involved in monitoring energy usage as part of a project
- **Installing low energy lighting** could be considered
- **Insulation** should be checked to ensure it is at the school's recommended levels and all windows where possible should be **double glazed**
- **Consideration should be given to** options for generating energy on-site
- **Energy** should always be purchased through a public sector buying organisation. They offer a range of fully compliant energy options for schools and academies. The contracts were set up by expert energy buyers and access to these contracts. HCC's contract is with [the LASER Buying Energy Group](#)

This list is of course not exhaustive, the internet has hundreds of energy saving tips that schools can try. Lots of small changes can make a big difference to costs and consumption on site.

## b. Reprographics

### Multi-functional devices and document solutions

Hertfordshire Supplies has put in place a central contract for multi-functional devices and document solutions. Hertfordshire Supplies offers photocopier, printer and MFD contracts as part of a central buying consortium (CBC) arrangement with a variety of options.

The contract is a pre-tendered agreement offering the following features:

- compliant operating leases
- all consumables included
- engineer response within six hours
- guaranteed 97% up time
- no hidden fees or charges
- black and white prints under £0.0028p (less than 28p for 100 copies)
- colour prints under £0.03p (less than £3.00 for 100 copies)
- no need to identify your copier for insurance purposes. It will already be insured by the supplying company
- up to 70% off list price for copiers
- only rental or operating lease agreement used, this conforms to government requirements and no third party lease agreement is required

Contact [supplies@hertfordshire.gov.uk](mailto:supplies@hertfordshire.gov.uk) for further details of this contract.

### Useful advice provided by Hertfordshire Supplies:

Hertfordshire Supplies is happy to provide unbiased advice and to spend time obtaining the best possible deal for each school.

If a school is approached by a photocopier company offering a deal on a photocopier, the following advice is crucial:

- **a school should not sign anything without checking** thoroughly, even when signing an acknowledgement to use a trial machine. Cases have arisen where a salesperson has obtained a signature on a blank form and then filled in what turns out to be a contract agreement at highly disadvantageous terms, and because it has a valid signature, it is enforceable

CBC has a blanket contract; each school will only sign the rental agreement form.

- **an existing machine should never be taken away until the school knows exactly what the terms are**

It is advisable to consult with Hertfordshire Supplies at the end of existing CBS contracts. The CBC contract ensures collection without penalty at the end of the primary period.

- **a school should always check the length of any proposed agreement**

**No agreement should be for more than 5 years.** CBC contracts are available for rental covering 3, 4, or 5 year contracts, never more than 5 years.

- **a school should always be wary of contracts that have a very high minimum monthly usage.** In most schools, copiers are only used ten months of the year - be sure any minimum quantity takes this into account

It is advisable for a school to seek a contract with a cost per copy contract, no minimum billing, or copy plan.

- **Schools should ensure that all small print is checked carefully, or better still this should be handed to Hertfordshire Supplies to check. Some contracts have clauses that allow the price to be increased by 15% per annum and they are enforced; this means that at the end of a five year agreement a school could be paying double the original figure.** CBC contracts have been negotiated with schools in mind. No unreasonable clauses i.e. extra quarters payment at the start or finish, admin charges, or increases

- **a school should check that the agreement includes all consumables. Often an agreement will look good value - only later do you learn that you have to pay for all toner supplies at vastly inflated prices**

CBC contracts always include the following – all call out fees, spare parts, labour and consumables, including toner.

- **a school should be beware** particularly of sales personnel who offer to install a copier and pay off an existing lease at better rates than you are used to. Photocopier agreements consist of two elements - the cost of service and the cost of the machine. If a sales person offers to buy out your existing agreement he/she will have to pay off at punitive rates the lease company who financed the original deal. This cost will be included in the quoted figures. A school should also be aware of being offered too small a machine for the job to be done. The rates appear cheap, but after some time, it will not cope with the demand

Hertfordshire Supplies offer a contract to suit each school. Paying off an existing agreement can be a thing of the past, once started on a CBC contract should your circumstances change you can change your machine without penalty, (subject to conditions).

- **a copy of any offer should always be retained.** Any reputable reprographic company will be only too pleased to leave their contracts and proposals for Hertfordshire Supplies to peruse

## c. Catering



Hertfordshire Catering Limited, Mundells  
Welwyn Garden City, Hertfordshire AL7 1FT  
[www.hertscatering.co.uk](http://www.hertscatering.co.uk)  
Tel: 01707 292 500

### **About Hertfordshire Catering Limited (HCL)**

Hertfordshire Catering Ltd (HCL) was formed in September 2013, and continues to successfully combine its heritage as Hertfordshire's principal educational caterer with the commercial acumen that continues to gain recognition for its quality, innovation and excellence in service delivery to customers throughout Hertfordshire and beyond.

The **HCL** team value, and are highly proactive in building strong and loyal relationships with their clients and customers; forming partnerships that assist the delivery of a high quality, best value service within an ever-changing, demanding and diverse sector.

**HCL** has the ability to offer a wealth of experience and expertise, contract support that includes skilled professionals in food development, training, human resources and marketing. Overall HCL provides ongoing service development and is always looking at ways of improving the customer experience and uptake.

### **Ofsted and beyond**

From the 1<sup>st</sup> September 2015 the Ofsted Common Inspection Framework will "include consideration of how education establishments are supporting pupils gain knowledge of how to keep healthy, including through exercising and healthy eating".

HCL supports and works with its clients, providing the ability to gain the knowledge of a healthy lifestyle and diet; an essential requirement of the Ofsted healthy eating criteria. HCL is already in the process of working towards a tool that will provide a joint catering service and dining environment audit, and subsequently a joint service improvement plan.

Always forward focused, HCL already has the infrastructure for the provision of basic hygiene training for midday supervisory assistants; healthy eating assemblies; fruit and vegetable smoothie workshops; food taster sessions and parent food information evenings.

One of HCL's latest innovations, The Good Food Cookery Club enables a range of services that can be tailored for all primary and secondary education establishments, their staff and pupils. This bespoke, curriculum enriching service, includes age appropriate cookery workshops and food and nutritional education classes for pupils from Key Stage 1 to 4 and beyond as well as Chartered Institute of Environmental Health Qualifications for older pupils and teaching staff.

### **The bottom line**

Customers remain at the heart of everything HCL does, whether this is providing assistance in educating stakeholders, instigating the statutory free school meal entitlement in the infant sector or increasing sales revenue and maintaining a financially sustainable service in the commercial sector: HCL delivers.

But the fulcrum will always include the quality and variety of the food that we provide. All food is ethically sourced and does not include Monosodium Glutamate (MSG). HCL is passionate about using fresh, seasonal food which is locally sourced whenever possible. HCL use organic milk, meat that is reared to a high welfare standard and fish that is sustainably sourced. HCL operates an unlimited vegetable and salad policy and uses freshly baked bread whenever possible. Additionally, herbs and spices are used to flavour dishes, enabling a reduction in salt in savoury dishes. Fat and sugar content has been reduced, as well as the portion sizes of desserts, whilst increasing fruit or vegetable content.

The overall approach of HCL is totally compliant with government food standards and has been recognised with awards which include a Public Health Department contract and the Bronze Food for Life Award; never complacent, HCL is now working towards the Silver accreditation.

In addition to this though, the bottom line is that the mission remains the commitment to provide the consistent delivery of exemplary service and improving customers' experience.

#### **d. Hertfordshire Contract Management Services (HCMS)**

Hertfordshire Contract Management Services (HCMS) [hcms@hertfordshire.gov.uk](mailto:hcms@hertfordshire.gov.uk)  
01707 292390

##### **Grounds maintenance**

All contracts are tailor made to the requirements of a school site with a full procurement process, management of the contract for its life and through the transitional period of a retendering process. A full range of arboriculture services is offered, including development site surveys and health and safety based tree surveys. Both forms of survey include the GPS plotting of all trees onto a digital plan with a unique reference number for historical record. All surveys are carried out by a qualified arboriculturalist and identified works are categorised into recommended timescales.

Routine cyclical tree maintenance can be arranged by a qualified arborist as well as emergency call out tree work following storms or other damage.

HCMS can also arrange any specialist works a school requires, such as:

- fencing
- conservation
- wildlife areas
- site development such as playing field maintenance, drainage, fertilising, selective weed spraying

##### **Building cleaning**

Each school site will have its own specification and service delivery plan to cover all cleaning requirements. Contracts will go through a comprehensive tendering process. Full contract support is available for the life of the contract.

The team is also available to help with any other cleaning related works or issues, such as:

- caretaker training
- in-house service support
- specialist cleaning services
- window cleaning

##### **Portable Appliance Testing (PAT) Service**

The HCMS also offers a great value PAT Service to ensure each school is fully compliant with legislation.

This service includes a detailed report on all equipment tested, along with any advice a school may need.

## **Signage**

HCMS also manages the entire process of surveying, designing, costing, supplying and installing signs.

## **Why use HCMS?**

With 20 years experience in contract management working with schools, a bespoke service is offered, tailored to individual customers' requirements.

Our service is a fully auditable procurement exercise and provides access to fully qualified, professional contract staff and processes.

## e. Insurance

Responsibility for property, liability, and other standard insurance policies is delegated to Hertfordshire schools. Schools essentially have three choices when arranging insurance:

- **buy back** the standard insurance cover obtainable from the County Council's corporate insurance scheme, plus any optional extensions required
- **buy back** the standard insurance cover obtainable from the County Council's corporate insurance scheme and arrange optional extensions elsewhere
- **arrange** entire insurance package elsewhere. Optional extensions would not be available from the County Council in these circumstances

### HCC standard cover

A vast majority of schools will find that the County Council's insurance scheme will compete with alternative quotations. If a school wishes to buy back into the County Council's standard insurance scheme, the cost will be the same as the amount delegated. The delegated amount will be identified separately in a school's budget share documentation.

The insurance section is responsible for the management of the insurance portfolio. This includes: checking policy wordings, review of risks, maintaining correct level of cover, as well as ensuring value for money.

Unlike usual external arrangements, there are no excesses to pay for fire, liability, business interruption, fidelity guarantee, motor or personal accident policies.

Property claims. HCC will meet all necessary repair costs to various parties involved, then reclaim one payment from the insurers.

HCC recharge includes Insurance Premium Tax (IPT). IPT due on balance if risks policy is **not** passed on.

HCC staff recovers any impact damage loss for schools where third parties are known.

HCC staff is always available for help and support when pursuing claims or seeking advice. A range of optional extensions are available.

In the event of a claim, experienced staff will provide a claims handling service internally or organise external expertise if required at no extra charge. For further information please e-mail [insurance@hertscc.gov.uk](mailto:insurance@hertscc.gov.uk) or telephone 01799 55548.

### Useful information

In the event that a school decides to seek insurance cover independently of HCC, the information below should be noted:

- **a school should always ensure** that the level of cover being purchased is adequate
- **excesses should always be compared.** Whilst premiums may be lower, the excesses may be higher

- **a school should be aware** that if insurance packages are arranged elsewhere, in the event of a claim there won't be any support from the HCC insurance team
- insurance is a complicated subject and the benefits of purchasing cover for a large number of schools present opportunities for economies of scale that would not be obtainable by schools as separate units. HCC claims experience is spread across the authority, so that one claim does not have an impact on future premium levels
- schools **must** only use insurance companies which have a Standard and Poors rating of at least 'A'
- external arrangements **must** provide cover for all the types of insurance outlined in section 1 of appendix A, with at least the minimum specified limits. In particular the need for full reinstatement cover on all property insurance, and a limit of 25 million pounds for employer's liability and public/products liability insurance must be drawn to a school's attention
- any external policy **must** name Hertfordshire County Council as joint insured
- liability policies **are** either written on a 'claim made' or 'claim occurring' basis. Schools should be **clear** on which they are entering. 'Claim occurring' basically means that the date of a claim reflects the date on which an incident occurred. Public and employers liability policies are written on this basis
- 'Claim made' basically means that the date of claim reflects the date of a claimant's first letter, and the authority's official indemnity (OI), libel and slander (LS) and professional negligence (PN) policies are written on this basis. **Schools MUST ensure that your OI, LS and PN policies are written on the same basis**
- a 'retroactive date' will however be imposed on a policy written on a claim made basis. Any financial loss where the act giving rise to the claim occurred prior to the retroactive date will be excluded. This can cause a particular problem with the trend toward pursuing failure to educate claims as previously explained. **A substantial retroactive date must be obtained**
- certificates for employer's liability insurance now **have** to be retained for 40 years and schools will have to demonstrate that suitable arrangements were put in place and kept in place to comply with legislative requirements if external cover is arranged
- adequate cover for governors' personal liability must be arranged. It should be recognised that failure to notify the Insurance Manager of separate insurances that subsequently prove to be inadequate could involve governors in substantial personal liability
- If a school does not buy back into the corporate scheme it will be responsible for making all its insurance arrangements to levels approved by HCC

## f. Supply teacher insurance

### Useful information for schools ([taken from effective buying for schools](#))

- **make sure** a policy is selected that matches both the school's absence profile and requirements to avoid paying an excessive premium
- there are two key variables that a school can change and these will determine an insurance premium: daily benefit and excess

daily benefit is the amount paid to a school for absence. The daily benefit does not cover the cost of supply teachers, but is set at a pre-agreed level e.g. £100, £150, £200. The higher the daily benefit, the higher the premium. A school should choose the appropriate daily benefit level. If there is a daily benefit of £100 but a school is paying supply teachers £200 per day, then the insurance is only covering 50 per cent of that cost

- excess is the number of days of absence that must have passed before policy cover starts. A shorter excess will lead to a high premium
- schools are advised to make sure the types of cover are relevant. Some policies offer worldwide and jury service cover. If this isn't required then the insurers should be instructed to exclude it
- **It is advisable for schools to set up** a method for tracking absence over the year. This will help build an accurate picture of a school's absence which can be used during the planning stage to get a more accurate quote from suppliers and select the right parameters for a policy

## **g. Hertfordshire Fleet Management Services (HFMS)**

[hfms@hertfordshire.gov.uk](mailto:hfms@hertfordshire.gov.uk)

01438 845455

**HFMS manage a wide range of fleet activities and services including vehicle purchasing, leasing, hiring and repairs**

### **Vehicles**

The team at HFMS has contracts in place with approved suppliers who can provide vehicles for purchase including:

- minibuses
- trucks
- cars
- fire appliances
- vans
- mobile libraries

Our comprehensive service also includes a range of additional activities:

- vehicle maintenance
- vehicle contract hire
- vehicle contract self-drive hire
- vehicle livery
- purchase of agriculture

### **Grounds equipment**

HFMS also offer technical support and legislative advice and are always happy to discuss the options that best meet a school's needs.

### **Other services**

#### **Lease cars and fuel cards**

HFMS is also responsible for the HCC Lease Car Scheme and fuel cards.

#### **County Transport Services**

HFMS is responsible for County Transport Services, the specialist in-house passenger transport service for Health and Community Service clients.

### **Why use HFMS?**

- excellent value for money
- one stop shop for all vehicle needs
- technical support and advice services
- wealth of knowledge in range of diverse and specialist vehicles



## Section 2

### a Procuring goods and services using national and regional frameworks

The contracts listed above are all central contracts in place that have been procured or commissioned by the authority to achieve best value. In addition to central contracts, there are a number of frameworks accessible to schools. Frameworks are umbrella contracts that have been established by local or central government departments or public buying organisations. Prior to acceptance on a framework the procuring authority has negotiated with suppliers to get the best deals. The deals negotiated are made available to schools and other public sector organisations through the framework via a simple 'mini-competition' among suppliers on the framework. The advantage of using a framework is that it is a much quicker and simpler process than setting up a new contract and given reduced procurement costs generally offers better value for money. Moreover, because the framework is already in place, the risks around the procurement process are eliminated.

There are a number of national pre-existing national and regional frameworks in place with a wide range of goods and services offered:

#### [Crown Commercial Service](#)

[Crescent Purchasing Consortium](#) (open to all schools with a sixth form and academies only)

#### [Pro 5](#)

The authority's advice would be to always check whether there is a central contract or framework in place before setting up a new contract. If there is not a central contract or framework in place [BuyWays](#) provides an introduction to procurement.

### Section 3

a. [Schools' Human Resources advisory services](#)

The Schools' HR advisory service provides specialist professional advice for headteachers and governors on all aspects of employment law.

b. [Financial Services for Schools](#)

Financial Services for Schools (FSS) provide a comprehensive financial service to support headteachers and governors with effective financial management.

c. [Schools IT Services](#)

School IT Systems Support (SITSS) provides a range of support, training and consultancy services to schools covering SIMS, ICT technical and computer networks.

d. [SBM Services](#)

The School Business Management Services aim to support school improvement, raise the profile of School Business Managers and help standardise a role that is still new to many schools.

e. [Governance Services](#)

Governance is a specialist team which supports improvement in schools, academies, free schools and UTCs by developing the effectiveness of governing bodies.