



London Borough of Hackney  
Hackney Service Centre  
1 Hillman Street  
London  
E8 1DY

**HACKNEY PROCUREMENT BOARD  
BUSINESS CASE**

Medium Risk £2.5M and above (inc. VAT), HPB approval  
or  
Low Risk £600k - £2.5M and above (inc. VAT), Director approval

<b>Title of Report</b>	Adult Skills Framework
<b>Hackney Procurement Board Meeting Date</b> (if applicable)	12th May 2026
<b>Risk Assessment Tool Rating</b> (Low / Medium)	Medium
<b>Approval Route</b>	Hackney Procurement Board
<b>Contract Duration</b> (including extensions e.g. 2 yrs + 1 yr + 1 yr)	2 yrs (1 yr with a 1 yr optional extension)
<b>Contract Value</b> ( <u>both</u> Inclusive of VAT and Exclusive of VAT, for the duration of the contract including extensions)	£1,000,000
<b>Ward(s) Affected</b> <a href="#">Click here for list of wards</a>	All
<b>Key Decision No.</b>	CHE S704
<b>Classification</b>	Open
<b>Cabinet Member</b> <a href="#">Click here for Cabinet Members and their portfolios</a>	Cllr Carole Williams Cabinet Member for Employment, Human Resources and Equalities
<b>Group Director</b> <a href="#">Click here for Group Director names and job titles</a>	Rickardo Hyatt

## **1. DIRECTOR INTRODUCTION**

1.1. This proposal sets out the business case to use the Crown Commercial Service (CCS) Adult Learning Dynamic Purchasing System (DPS) for the 2026/2027 procurement cycle to appoint training providers to deliver adult skills courses for Hackney residents (funded by the Adult Skills Fund). This procurement method will ensure that the Employment, Skills and Adult Learning service can quickly onboard delivery partners within the necessary timeframe for the upcoming academic year. The DPS is immediately usable and is already used by other adult learning providers, confirming its suitability for purpose.

1.2. The Hackney Procurement Board approved a Business Case on 8th July 2025 to create a 4-year Adult Skills Open Framework agreement (with two 12-month extension options, totaling a maximum of 6 years) to procure providers and deliver adult skills courses in Hackney. However, due to unforeseen circumstances the establishment of this framework has been delayed, preventing it from being in place for the 2026/2027 academic year. This business case proposes a 2 year (1 yr with a 1 yr optional extension) interim arrangement using the CCS Dynamic Purchasing System (DPS) to save time and prevent non-delivery. This interim DPS does not replace the previously approved framework, which is still necessary because the DPS is set to expire in October 2028 and therefore it will not be permitted under the Procurement Act 2023.

## **2. RECOMMENDATION(S)**

2.1. To agree to the use of the existing Crown Commercial Service (CCS) Adult Learning Dynamic Purchasing System (DPS) for the 2026/2027 procurement cycle for Adult Skills funding for a period of one (1) year (with the option of a one (1) year extension) to deliver adult skills courses to Hackney residents.

## **3. RELATED DECISIONS**

3.1. On the 8th July 2025 Hackney Procurement Board approved a Business Case for a 4-year Adult Skilled Open Framework agreement (with two 12-month extension options, totaling a maximum of 6 years) to deliver adult skills courses. However, due to unforeseen circumstances the establishment of this framework has been delayed, preventing it from being in place for the 2026/2027 academic year.

## **4. COMMENTS OF THE GROUP DIRECTOR OF FINANCE AND CORPORATE RESOURCES**

4.1. The Adult Learning Service in Hackney is part funded by the Greater London Authority (GLA) through the Adult Education Budget (AEB) grant. There is an expenditure budget within 2026/27 to resource this procurement and therefore the procurement strategy can be supported.

## **5. COMMENTS OF THE DIRECTOR OF LEGAL, DEMOCRATIC AND ELECTORAL SERVICES**

5.1. This Report has been classified as Medium Risk. Paragraph 2.18 of

Contract Standing Orders states that all procurements with a risk assessment of “Medium Risk” will be overseen by the Hackney Procurement Board at the Business Case stage and therefore this Report is being presented to Hackney Procurement Board for approval.

5.2. This Report recommends the procurement of adult skills courses for a period of one (1) year (with the option of a one (1) year extension). It is proposed to use the Crown Commercial Service (CCS) Adult Learning Dynamic Purchasing System (DPS) to procure the required services. Paragraph 5.6 of Contract Standing Orders states that officers may use a dynamic purchasing system, set up by other Central or Local Government organisations and/or other public bodies. Use of the dynamic purchasing system is subject to the provisions of Regulation 37 of the Public Contracts Regulations 2015, which allow a contracting authority to acquire supplies or services from a centralised purchasing body.

## **6. COMMENTS OF THE PROCUREMENT CATEGORY LEAD**

6.1. On the 08th July 2025, Hackney Procurement Board approved a related Business Case for the creation of Adult Skilled Open Framework agreement for a period of four (4) years (with the option of two (2) separate twelve (12) month extensions thereafter, up to a maximum contract length of six (6) years) to deliver adult skills courses to Hackney residents.

6.2. Since then circumstances in the Employment, Skills and Adult Learning service have prevented the start process of the creation of this framework agreement in readiness for call-off courses to be delivered in 2026/2027.

6.3. The recommendation in this Business Case is an interim arrangement for 1+1 year where using the proposed DPS will save buyer’s time and prevent the non-delivery of the courses. It is important to mention that this request does not supersede the approval obtained in July 2025, a new framework is still required as the DPS expires in October 2028 and there will not be any DPS arrangements under the Procurement Act 2023.

6.4. Suppliers already in the Government Commercial Agency (Crown Commercial Services) completed a selection questionnaire and the framework continuously monitored their financial standing and cyber certificates and will undertake a mini-competition conducted by Employment Skills and Adult Learning. Following contract award, the call-off of a contract from the dynamic purchasing system will be subject to the approval of relevant Officers in line with the General Scheme of Delegation to Officers.

## **7. OPTIONS APPRAISAL AND BUSINESS CASE (REASONS FOR DECISION)**

### **7.1. Reasons for Decision**

#### **Business Case and Options Appraisal:**

7.1.1 For the past three years, adult skills services have been procured through a closed framework, requiring an annual commissioning process to select providers from a pool of potential bidders. This framework has now ended.

7.1.2 The Employment, Skills and Adult Learning (ESAL) Service had planned to establish an open framework, and this was approved by the Hackney Procurement Board on 8 July 2025. However, due to unforeseen circumstances, the service was unable to implement this open framework in time for the 2026/27 commissioning cycle.

7.1.3 The service therefore proposes using the established Crown Commercial Service (CCS) Adult Learning Dynamic Purchasing System (DPS). This DPS is currently in use by other adult learning providers, is immediately available, and is structured to ensure timely completion of the procurement process.

7.1.4 Simultaneously, we will continue our work to establish the Council's own Adult Learning Open Framework.

## **7.2. Benefits Realisation and Lessons Learnt**

7.2.1 Accessing this Dynamic Purchasing System is crucial for completing the procurement for the next academic year on time. Furthermore, it will provide the service with access to a pool of suitable, high-quality providers, which are currently unavailable, significantly reducing administrative burdens. Local providers will be invited to join the CCS DPS to be eligible to bid for the specific contracts we manage. Providers not already registered on the DPS must first sign up and register as a supplier by submitting the required questionnaire and documents. Once registered, they can bid for tenders via the eSourcing Portal. The ESAL service will provide dedicated support to prospective bidders who want to sign up to the DPS.

7.2.2 The Dynamic Purchasing System (DPS) has no minimum contract value, and can be used for any value contract. The flexibility of using DPS is expected to greatly benefit SMEs applying for contracts. The DPS is continuously open to new providers. The contracts issued through the DPS will be for one academic year, running from August 2026 to July 2027. This procurement route is based on the 2015 Public Contract Regulations via the established Crown Commercial Services (CCS) DPS.

## **7.3. Strategic Context**

7.3.1 This procurement approach and service delivery fits with the Council's objectives to alleviate barriers to education, training and employment by ensuring disadvantaged adults have access to learning and further opportunities.

## **7.4. Preferred Option**

7.4.1 For the 2026/2027 procurement cycle, the established Crown Commercial Service (CCS) Adult Learning Dynamic Purchasing System (DPS) will be used to procure adult skills providers to deliver adult skills courses for Hackney residents. This DPS is currently used by other adult learning providers, is ready for immediate use, and is structured to ensure the procurement is completed within the required timeline. We will invite and support local providers to join the CCS DPS so they can participate in bidding for the specific contracts we manage. Simultaneously, we will continue our work to establish our own open Adult Learning Framework.

## **7.5. Alternative Options Considered and Rejected**

7.5.1. Option: In-house delivery of all adult skills courses: The option for adult learning courses to be directly delivered by a team of teachers employed by the Council was rejected for a number of reasons including:

- Lack of capacity to deliver all of the training programmes in-house.
- Lack of specialisms and training venues to deliver all training in-house.
- Reduced capacity to commission local organisations/provide
- It would require a large increase in the number of Council employees and back office staff which is more costly.

7.5.2. Option: Procure a single supplier for the delivery and management of all training: The option of procurement of a single supplier to manage all training for the Council was rejected for the following reasons:

- Lack of control over training quality and standards due to possible subcontracting by the main supplier.
- Learners would be disadvantaged if providers hold waiting lists to retain funding, rather than referring learners to alternative providers.
- An overarching provider may not be incentivised to seek hard to reach groups in the community.
- A single large provider may have more of a further education focus which denies our community learners the opportunities they require.

## **7.6. Success Criteria, Key Drivers and Indicators**

7.6.1 Success of the programme delivery will be measured by meeting / exceeding KPI targets as set by the GLA in the Adult Skills funding terms and conditions. At the heart of adult skills provision is the aim to improve the skills, learning, career and employment prospects, personal development, and wellbeing of Hackney's residents and to reduce poverty by improving residents' access to further education and / or employment. The service intends to provide targeted employment and skills provision for the most disadvantaged groups, including those people experiencing complex barriers to work, and empowering Hackney residents to access education and skills.

## **7.7. Whole Life Costing and Budgets**

7.7.1 The annual budget for commissioned Adult Skills delivery is approximately £500,000. This funding is part of the overall Greater London Authority (GLA) grant for Hackney's Adult Skills programme, provided through the Adult Skills Funding (ASF), which is around £2,337,014 per year. The rest of the Hackney ASF grant is allocated to direct teaching delivery, curriculum development, the management information systems team, and administrative functions related to data recording, reporting, and contract management.

## **7.8. Policy Context**

7.8.1 The delivery of adult skills delivery is aligned with both local and regional policy frameworks. It meets the objectives set by the Hackney Strategic Plan

and the Economic Development Plan. Furthermore, the procurement process will adhere to the Hackney Sustainable Procurement Strategy. The Greater London Authority's (GLA) London Growth Plan and Inclusive Talent Strategy emphasise adult skills as a vital element in cultivating the future workforce.

**7.9. Consultation and Stakeholders**

7.9.1. The proposed procurement approach has been developed through feedback from both internal stakeholders, such as the Procurement team, and external bodies, including the GLA. This approach prioritises quality, adherence to compliance standards and immediate usability.

7.9.2. An engagement and communications plan has been prepared (Appendix A) to outline a strategy to onboard Hackney based and other local adult learning providers onto the Crown Commercial Service (CCS) DPS before the 2026/27 mini-competition begins.

7.9.3. This plan aims to successfully register current Hackney adult learning providers on the Crown Commercial Systems (CCS) DPS by the end of May 2026, securing a diverse local supply base for the 2026/27 commissioning round. The primary audience consists of local colleges, Independent Training Providers, and VCS organisations.

7.9.4. The focus is on simplifying the DPS application process, building provider confidence through dedicated and 1-2-1 support (webinars and 1:1 sessions), and clearly positioning the DPS as the exclusive gateway to future funding. Implementation runs to early June, progressing from the initial notification of providers in late April to targeted follow-up for registration in early June.

**7.10. Risk Assessment and Management**

7.10.1 The report is classified as medium risk because it is related to the initial business case for establishing the Open Framework which was approved by Hackney Procurement Board on 8th July 2025. Consequently, any modifications to the procurement route must adhere to the original delegated scheme granted and it remains a medium risk procurement.

**7.11. Contract Modification should a Known Risk Occur**

Risk	Likelihood	Impact	Overall	1. Action to avoid/mitigate risk
Small groups and community organisations may be negatively affected by the procurement	Medium ▾	High ▾	Medium ▾	1. Dedicated council staff members will provide suppliers with procurement advice and

<p>process. This is because they may lack the capacity to bid, or the Dynamic Purchasing System (DPS) may be too burdensome for them to access.</p>				<p>support to enable them to join the DPS.</p> <p>2. Mini competitions via the DPS will be held as need arises which will allow suppliers to bid regularly.</p>
<p>Reputation risk if local and known providers can't access the DPS and bid of opportunities</p>	<p>Medium ▾</p>	<p>High ▾</p>	<p>Medium ▾</p>	<p>Ensure successful registration of essential local providers by proactively targeting them and offering dedicated 1:1 support sessions. Implement a stakeholder tracker to monitor providers joining the DPS and facilitate follow-up with non-registrants to identify and address any barriers they face. This tracker should also document specific signing-up hurdles. Communicate with CCS Commercial Agreement Manager to discuss</p>

				identified barriers and explore the possibility of direct support from CCS to overcome them.
Failure to comply with grant provisions e.g. grant conditions around detecting fraud.	Low ▾	Me... ▾	Medium ▾	<p>The London Borough of Hackney's Audit &amp; Anti-Fraud team carry out audits.</p> <p>Internally the Adult Learning service will continuously quality assure and monitor provider performance to mitigate and manage risks.</p>

### 7.12. Insurance

7.12.1 The Insurance Services Team have been consulted and the following insurance levels are required for these contracts and will be requested in the tender documentation. These levels of insurance have been met in the past by providers from the previous Hackney Adult Skills framework:

- Employer's liability insurance of £5,000,000
- Public liability insurance of £5,000,000
- Professional indemnity insurance of £1,000,000

### 7.13. Savings

7.13.1 No cashable savings are anticipated. This is an external grant funded programme and the grant allocation will be fully utilised on the funding of courses for adult learners.

### 7.14. Income Generation

N/A

## 8. SUSTAINABILITY ISSUES AND OPPORTUNITIES, NET ZERO AND SOCIAL VALUE BENEFITS

While we will endeavour to secure the maximum benefits from any contracts

secured through this procurement exercise, the financial value of the contracts issued via this commission may vary and we will recognise circumstances where smaller providers may find it more difficult to deliver a wider range of extra benefits in addition to their contracted provision.

### **8.1. Procuring Green**

8.1.1. This procurement process will ensure that local suppliers are used wherever possible. We will issue providers with our sustainability policy as part of their handbook which contains guidance on environmental issues and how providers can take action to reduce their carbon footprint and harm to the environment.

8.1.2. Quality requirements will include providers detailing their plans to employ local tutors, hire interns and apprentices, commit to the London

8.1.3. Minimum Wage, and provide career development plans for their staff.

### **8.2. Procuring for a Better Society**

8.2.1. This procurement will have a positive impact on the local community by providing supported education opportunities, assisting re-engagement, enhancing the current low base of qualifications and skills and in turn supporting residents to access employment. The final outcomes at the end of the contracted service delivery may be measured in terms of achievements, qualifications and skills obtained and progression surveys onto FE or employment.

### **8.3 Procuring Fair Delivery**

8.3.1. The procurement will have a positive equalities impact as the employment, skills and adult learning service actively targets under-represented and marginalised groups in the community, including:

- Long term unemployed & families with inter-generational unemployment
- Adults with limited employment history
- Adults who have recently been made unemployed and need to re-train
- Adults in low skilled jobs and on low wages
- Migrants and adults for whom English is a second language
- Communities and newer arrivals, migrants, asylum seekers and refugees
- Residents with multiple support needs who live in neighbourhoods with lower skills levels;
- Adults furthest away from work due to low or no qualifications and with basic skills needs
- Adults aged 50 plus and those socially isolated, or at risk of becoming so.

8.3.2. Providers should commit to paying the London Living Wage and provide supporting evidence during the tender process. This is part of Hackney's employment criteria, which mandates fair pay and conditions for all employees, specifically encouraging permanent contracts for employees over Zero hours contract. Furthermore, the quality and curriculum team within Employment, Skills and Adult Learning will be responsible for ensuring that the providers maintain a high standard of delivery quality.

8.3.3. Hackney Council is committed to adhering to the Modern Slavery Act

(MSA) 2015 and will ensure a zero-tolerance approach to modern slavery within business operations, supply chains, and throughout the contract lifecycle. We will ensure that the providers have policies and processes to prevent modern slavery align with our expectations and the legislation in place. Successful providers will be required to show their Whistleblowing Policy. Training and staff awareness will be mandated during inductions through e-learning modules that address modern slavery, human trafficking, and whistleblowing.

#### **8.4. Social Value Benefits**

8.4.1. This process will have a positive impact on individuals and the wider community. These benefits go beyond direct qualifications and the outcome model focuses on reducing poverty and inequality, improving health and wellbeing, supporting residents with complex needs, reducing reoffending and improving housing stability, and embedding equity and anti-racism to support Hackney's economic recovery

8.4.2. To provide social value to our community, we ask bidders to pledge to pay all staff members the London Living Wage.

8.4.3. Bidders must provide a response outlining the social value commitments they will deliver as part of this contract. These commitments should align with the London Borough of Hackney's priorities, particularly concerning:

- Procuring for a Better Society
- Fairer Society
- Greener Society

8.4.4. All commitments must be quantified (e.g., number of jobs, number of apprenticeships, £ value of donations, number of volunteering hours) so that they are clear, measurable, and enforceable.

The bidders must provide quantified, measurable commitments for all of the following:

- Creation of new job opportunities: Via this contract state the number of new roles created for Hackney residents and confirm that all jobs will pay at least the London Living Wage (LLW)
- Paid Work Placements: Via this contract state the number of placements, their duration and the rate of pay (minimum LLW).
- Supported Internships (SEND/Neurodiverse): Via this contract State the number of internships for residents with SEND or neurodiverse conditions, including autism.  
Advertise all roles and training opportunities via:
  - Hackney Opportunities website
  - Hackney Council Newsletters
  - Partnership with Hackney Works
- Volunteering: Via this contract states the number of volunteering hours offered.

## **9. PROPOSED PROCUREMENT ARRANGEMENTS**

### **9.1. Procurement Route**

The recommendation is to use Crown Commercial Service (CCS) Adult Learning Dynamic Purchasing System (DPS) for appointing training providers through mini-competitions within the appropriate category. The dynamic purchasing system's contract award process will be adhered to, including inviting all eligible suppliers to bid and ensuring compliance with required timescales.

#### **The call off process for using the DPS is:**

1. Buyer prepares the call-off documents
2. Buyer shortlist suppliers using the DPS filters
3. Buyer issues the call off form of competition
4. Suppliers submit responses
5. Buyer evaluates responses
6. The contract is then awarded after approval of the service director.

### **9.2. Procurement Project Management, Resources and Key Milestones**

Key Milestones & Publication of Notices	Date
Business Case Report to HPB	12/05/2026
Use of framework commences- mobilisation and commissioning	18/05/2026

### **9.3. Anticipated contract type**

Contracts, using the template contracts hosted via the CCS DPS, will be awarded for the delivery of individual qualifications, following competitions run through the system. Contract value will be set at a maximum value based on the maximum possible number of learners we can envisage being placed on the qualification over the defined period set out in the further-competition request.

### **9.4. Contract Management (and Mandatory Use of the Contract Management System)**

The contracts will be managed by the Head of Commissioning and Performance in ESAL along with the Contracts Manager. Regular quarterly meetings with commissioned providers are conducted by both the Commissioning and Performance team and the Adult Skills Curriculum team to ensure compliance with Council's priorities and grant conditions.

### **9.5. Key Performance Indicators**

9.5.1. The GLA funding guidelines and requirements for the ASF grant determines, and will be used to measure, the goals and objectives to be achieved.

9.5.2. The ESAL service actively targets a wide range of Hackney disadvantaged groups. These groups include:

- unemployed adults, both long & short term;
- adults with low or no qualifications and basic skills needs;
- adults for whom English is a second language;
- adults aged 50 plus;
- adults with disabilities and/or learning difficulties;
- adults from ethnic minorities with particular emphasis on: adults from Turkish & Kurdish communities; refugees & asylum seekers; Charedi Jews and African Caribbean communities.

9.5.3. To ensure these and other targets are achieved a set of Key Performance Indicators linked to performance and quality are included in all contracts. They can be summarised as follows;

- Achievement: A minimum of 85% of the Learners on accredited courses and 95% of the learners on non-accredited courses attaining an achievement.
- Attendance: A minimum of 90% of the Learners reaching an attendance rate
- Retention: A minimum of 90% of the Learners completing the Course.
- Recruitment: 100% of places available on the course which are filled at the beginning of that course.

9.5.4. Payments from the Council to the commissioned providers for delivering the provision will be contingent upon the achievement of specific milestones: course registration, course commencement, course successful completion and securing employment outcomes.

## 10. CONFLICTS OF INTEREST ASSESSMENTS

The service will identify, record, monitor and manage any potential, actual or perceived conflicts of interest in relation to this procurement. The goal is to ensure that all individuals involved in the process have completed any relevant conflict of interest assessments and that any identified conflicts are appropriately managed and mitigated through recorded actions.

## APPENDICES

Appendix A: Engagement and Communications Plan (to enable existing and past local adult skills providers to access the new framework)

**EXEMPT - N/A**

**CONFIDENTIAL - N/A**

## BACKGROUND PAPERS

- Appendix B: Hackney Procurement Board paper 8 July 2025:

Report Author	Name Pallavi Dham <hr/> Role Commissioning and Performance manager
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