

Slough Borough Council

Report To:	Cabinet
Date:	28 May 2026
Subject:	Transformation Partner Procurement
Lead Member:	Leader of the Council and Lead Member for Improvement, Transformation, Strategic Planning and Governance
Chief Officer:	Ian O'Donnell, Chief Operating Officer
Contact Officer:	Martin Chalmers, Director of DDaT and Transformation Client
Ward(s):	All
Key Decision:	YES
Exempt:	NO
Decision Subject To Call In:	YES
Appendices:	NO

1. Summary and Recommendations

1.1 Following the agreement at the February 2026 Cabinet that the Council should procure a Transformation Partner together with additional specialist support, as required, this paper sets out the overall multi-Lot approach to procurement and seeks approval to procure the first two Lots.

Recommendations:

Cabinet is recommended to:

- 1) Note the previous approval by Cabinet in February 2026 to procure a transformation partner and approve the updated procurement approach set out in this report
- 2) Delegate Authority to the Chief Operating Officer, in consultation with the Leader, to select a bidder(s), negotiate the contract documents and enter into the contract for Transformation Partner Lot 1 (Core/Portfolio Office, PMO & Specialist Advisory)
- 3) Delegate Authority to the Chief Operating Officer, in consultation with the Leader, to approve select a bidder(s), negotiate the contract documents and enter into the contract for, Transformation Partner Lot 2 (Specialist Digital, Data and Technology Enabled Change).

- 4) Delegate Authority to the Chief Operating Officer, in consultation with the Leader, to approve select a bidder(s), negotiate the contract documents and enter into the contracts for, Transformation Partner Lots 3 (Specialists for Service Transformation e.g. Adults, Children's, Housing).

Reason

The recommendations ensure the Council can move at the pace required to deliver the three-year MTFs-aligned transformation programme while maintaining strong governance, independence and assurance. Cabinet is asked to note the updated procurement approach so that the programme can proceed on a compliant and defensible basis, reflecting the February 2026 approval and the refined multi-Lot model. Delegating authority for bidder selection and contract award for Lot procurement to the Chief Operating Officer, in consultation with the Lead Member for Assets and Transformation, provides the necessary operational flexibility to run the procurements efficiently, negotiate value, and deliver Transformation without delay, while retaining clear political oversight and accountability.

Commissioner Review

Commissioners have reviewed the report and are content that it builds upon the February 2026 Cabinet report. They are satisfied with the delegated decision and governance.

Commissioners are content for this report to be considered.

2. Report

Introductory paragraph

2.1 At the Cabinet meeting in February 2026, it was agreed that the Council should procure an external delivery partner(s) with some in-house co-ordination and delivery, with the option to appoint specialist partners for specific projects. Following further analysis of the need, it is proposed that this should be effected by establishing a structured multi-Lot arrangement, each Lot being a separate procurement.

Options Considered:

Recommended Option

2.2 Lot 1 will be the external delivery partner referenced in Option D. It will provide overarching transformation direction, portfolio management and assurance, and commercial, financial and HR advisory services. It is recommended that this Lot should be procured first, and that it should include the provision of an organisational design and culture change programme.

The specialist partners of Option D will be procured as further Lots. Specifically:

2.3 Lot 2 will cover specialist capability Digital, Data and Technology (DDaT) enabled change. Because of the close relationship between the capabilities required to design and to manage the delivery of such change, it is recommended that this Lot should be procured early, in parallel with Lot 1.

2.4 Lot 3 is expected to comprise a set of contracts (known as Lot 3a, Lot 3b, etc) focused on specialist service transformation (e.g. Adult Social Care, Children's Services, Housing) to be procured where specialist capability is required. The timing of these procurements will be driven by the need to have assured requirements and business cases, alongside the need to maintain delivery pace.

Alternative Options Considered:

Do Nothing

2.5 As agreed at Cabinet in February, the Council lacks the internal capacity and independence required to validate and assure transformation activity without external support. This option is therefore not recommended.

Single external delivery partner

2.6 The option of procuring a single external delivery partner was rejected at the February 2026 Cabinet because of the risk of overdependency and reduced service ownership. Our market research, which shows that some council activities are better served by specialist partners, bears that decision out.

Exclude organisational design and culture programme from Lot 1

2.7 Organisational design and culture programme is essential to securing a coherent, sustainable Target Operating Model and ensuring that leadership behaviours, structures, processes and workforce capability mature in parallel with the wider transformation portfolio. The Council's internal HR team does not have the capacity required to deliver this work without partner assistance

2.8 Delaying this work or adding it later would have the potential to fragment delivery, weaken independence and assurance, and risk embedding new ways of working on top of outdated structures, inconsistent processes and unresolved cultural barriers. It would also prolong reliance on external support, increase cost, and undermine the Council's ability to deliver MTFS savings on time. This option is therefore not recommended.

Defer procurement of Lot 2 until after Lot 1 mobilisation

2.9 In this option, procurement of Lot 2 would be based on full definition of the programme of DDaT-enabled work to be delivered. This would be validated by the Lot 1 partner during its mobilisation stage and the procurement then run. However:

a) The Council's DDaT team does not have the capacity to undertake the analysis required, so it would need to put in place alternative interim arrangements to carry out that analysis.

b) This is already wasteful, as the skills required for analysis and design are closely related to the skills required to manage the delivery of this type of work. In effect, the Council would be sourcing the same type of capability twice.

c) The validation and sourcing period, together with the mobilisation time required by the Lot 2 partner, including validation of the analysis underpinning the requirement, would add 3-5 months to the critical path for delivery of change. Meanwhile, there would be no capacity in place for the immediate implementation of quick wins identified in the early analysis

Because of the delay to benefits delivery and intrinsic waste involved, this option is not recommended.

Background

Procurement Structure and Phasing

2.10 Having provided a series of options for consideration in February, the preferred option, – **Option D: an external delivery partner with some in-house co-ordination and delivery, and option to appoint specialist partners for specific projects** – was selected as it provided the optimal balance of assurance, flexibility, service engagement and capability building. It supported the Council's transformation ambitions over the three-year period, aligned with the hub-and-spoke delivery model, and offered the necessary external credibility required under intervention.

2.11 Specifically, as set out in the February Cabinet paper:

- a) A medium-term partner arrangement needed to provide the capability and capacity required to ensure delivery of the three-year MTFs aligned programme; reliance on contracted individuals has been demonstrated to be insufficient.
- b) A single external partner model or a multi partner framework without strong internal oversight would not provide the required assurance or grip.
- c) The preferred option combines a lead partner with in-house delivery and targeted specialist support ensuring both control and sustainability.

2.12 The Council intends to implement the agreed Option D establishing a structured multi-Lot arrangement, each Lot being a separate procurement:

- a) Lot 1 – the lead partner - will be procured first. It will provide overarching transformation direction, portfolio management and assurance, and commercial, financial and HR advisory services. Expressions of interest have been invited and, if approved, the procurement is planned to complete with contract award at the end of July 2026.
- b) Lot 2 will cover specialist capability Digital, Data and Technology (DDaT) enabled change. It will be procured broadly in parallel with Lot 1, to enable design and delivery of data and technology elements of the transformation to proceed rapidly. Expressions of interest have been invited and, if approved, the procurement is planned to complete with contract award in mid-August 2026.
- c) Lot 3 is expected to comprise a set of contracts (known as Lot 3a, Lot 3b, etc) focused on specialist service transformation (e.g. Adult Social Care, Children's Services, Housing) to be procured where specialist capability is

required and once initiatives have been validated and sequenced. This ensures spend is controlled and aligned to MTFS priorities. The Lot 1 partner will play a key role in this assurance.

Governance and Assurance

2.13 The February Cabinet report emphasised the need for:

- a) Strong governance including CLT Transformation Board Design Authority and Commissioner oversight
- b) Independent assurance benefits validation and clear audit trails
- c) Clear separation between delivery and assurance functions

2.14 Accordingly, a single governance and assurance model is being applied across all transformation activity including both in-flight and new initiatives, with special provision for rapid approval of urgent projects critical to achievement of near-term MTFS savings.

2.14 The Lot 1 provider ("Lot 1") will integrate all initiatives into Portfolio governance from mobilisation, lead structured discovery cycles, and validate deliverability and financial alignment before initiatives progress. A controlled Fast Track Governance Route will support projects which are urgent owing to statutory requirements or MFTS savings timelines.

2.15 The Lot 1 procurement specification sets out strong independence requirements including:

- a) Organisational process and assurance separation
- b) Ethical wall documentation and regular independence statements
- c) Alternative assurance routes where Lot 1 is delivering under other Lots
- d) The Council's right to exclude Lot 1 from bidding for other Lots where the potential for conflicts is identified

These controls ensure fairness transparency and confidence in the procurement process.

Scope of Lot 1

Portfolio Management Office (PMO) and Advisory

2.16 Lot 1 will be operational within 10 working days of contract award and will:

- a) Provide a senior Transformation Director with visible onsite leadership
- b) Manage the assurance of business cases, notably the operation of a Gateway 0 feasibility process which will require there to be confidence in the feasibility of initiatives before they enter delivery
- c) Validate, sequence and assure the planning, delivery and benefits realisation of all transformation activity

- d) Provide portfolio-wide reporting for all stakeholders, including the Corporate Leadership Team, Commissioners and Members
- e) Issue duty to warn statements where risks remain unmitigated
- f) Provide independent financial and commercial advisory
- g) Develop and execute a clear plan for knowledge and capability transfer, enabling a phased transfer of responsibility over the three-year period, so that the Council is fully self-sustaining at the end of the contract.

Organisational Design and Culture

2.17 Lot 1 will be required to deliver a 24-month organisational design and culture programme commissioned immediately following mobilisation, subject to Gateway 0 validation. The programme will:

- a) Align structures, roles and workforce capability to the Target Operating Model
- b) Embed leadership behaviours, trust and visibility expectations
- c) Respond to the Council's culture baseline, including staff survey insights
- d) Strengthen cross-organisational collaboration and consistent ways of working
- e) Embed a small number of critical daily behaviours that shape the employee experience
- f) Provide a phased capability transfer model, ensuring full transition to HR by the end of Year 2
- g) Include a clear exit strategy reducing long-term reliance on external resource

Note: Pay & Reward will be completed internally by SBC prior to mobilisation. Lot 1 will validate outputs, ensure alignment to the TOM and MTFs, and integrate implications into organisational design and workforce planning. No Pay & Reward specialist is required within Lot 1 pricing.

Scope of Lot 2

2.18 The scope of Lot 2 includes:

- a) Strategic advice on enterprise architecture and the selection of tooling to underpin improvements in customer/user experience, and end-to-end service design including systems integration. Such technologies may include, for example, omnichannel communications, workflow, customer relationship management, generative AI, and robotic/agent process automation/orchestration. Issues to consider will include TCO, security, privacy, openness/interoperability and supportability as well as functionality.
- b) Support in developing business cases for digital-enabled change, including planning of benefits realisation. We expect that this work will proceed incrementally, prioritised by service volume, failure demand, and cost
- c) End-to-end customer and user centred service design, underpinned by technologies such as those referenced above

- d) Implementation of redesigned services including business change, training and transition to operations
- e) Data governance, data quality improvement and data analytics and exploitation. This includes support in defining and embedding new roles and responsibilities for data ownership, analysis and exploitation across the organisation.

2.20 It is also expected that the supplier would provide capabilities in technology-related analysis, design, development and implementation in support of projects in wider areas.

Next Steps and Timeline

2.21 Preliminary engagement with the market on Lots 1 and 2 is already in progress. Approval of this report will enable the formal tender process to begin. The timetable below complies with procurement legislation and also reflects practical considerations.

Activity	Lot 1	Lot 2
Issue Specification/documentation	01 June 2026	15 June 2026
Deadline for receipt of Tenders	23 June 2026	07 July 2026
Evaluation report	08 July 2026	22 July 2026
Issue Contract Award Notice	16 July 2026	30 July 2026
Standstill	16-26 July 2026	30 July - 9 August 2026
Contract commencement	03 August 2026	17 August 2026

3. Implications of the Recommendation

3.1 Financial implications

3.1.1 The budget agreed as part of the 2026/27 budget setting process included £15.6m of revenue investment across 2026/27, 2027/28 and 2028/29. The profile of this expenditure across the 3 years is still being finalised, the expectation is that more spend will be incurred in 2026/27 and 2027/28 than in 2028/29 enabling the programme to be mobilised and savings delivered across the MTFs. Those savings represent £25m of the overall £38m MTFs savings plan.

3.1.2 The indicative allocation of the revenue expenditure across the different transformation activity remains in line with the February Cabinet report.

3.1.3 There is an estimated £20m of once off capital investment which has been included within the Capital programme over the same 3 year period. A further £2m of investment in the NEC Housing system is set out in the HRA Capital Programme.

3.2 Legal implications

3.2.1 On 1 December 2021 the Secretary of State for Levelling Up, Housing and Communities made statutory directions requiring the Council to take prescribed actions and that certain functions be exercised from this date by appointed Commissioners, acting jointly or severally. The directions were extended on 1 September 2022 and on 20 November 2024. The directions are made under Part 1

of the Local Government Act 1999 due to the Council having failed to comply with its best value duty. The general duty of best value is set out in section 3 of the Local Government Act 1999 and requires local authorities to “make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness”. This requires consideration of overall value, including economic, environmental, and social value, when reviewing service provision. There is also a duty to consult when deciding how to fulfil the best value duty.

3.2.2 The Council must comply with the Procurement Act 2023 (or previous legislation if a compliant framework is used) to procure a delivery partner. The Council must also comply with its Contract Procedure Rules and internal governance to ensure value for money when contracting with suppliers.

3.3 Risk Management implications

3.3.1 A risk assessment has been undertaken on the Council’s procurement process to ensure that the approach, timelines and governance arrangements are robust, deliverable and capable of supporting a successful contract award. This assessment considered the Council’s readiness to run the procurement, the clarity and stability of the specification, the availability of evaluation resources, the sequencing of approvals, and the potential for delay or challenge. The resulting controls and mitigations have been incorporated into the procurement plan, ensuring that the process is proportionate, compliant, and capable of delivering a fair, transparent and timely outcome. Ongoing oversight will be maintained throughout the procurement to monitor emerging risks and ensure that the Council remains on track to meet the planned award date.

Risk Category	High-Level Procurement Risk	Mitigation / Control
<p>1. Combined: Readiness, Timeline & Governance</p>	<p>Lack of procurement readiness and slow/inconsistent governance, and/or high volume of supplier responses delays key stages, risking slippage to the contract award date and increasing challenge risk.</p>	<ul style="list-style-type: none"> • Set readiness criteria and single controlled document set; • Bidder briefings to encourage bids only from highly capable suppliers, and use of pass/fail questions to eliminate bidders with insufficient capability or capacity • confirm evaluators and decision timetable early and ensure diary time protected; • use a critical-path plan with pre-scheduled decision points and clear escalation; • apply fast-track governance where appropriate; • weekly Procurement Lead oversight

Risk Category	High-Level Procurement Risk	Mitigation / Control
2. Specification Ambiguity	Ambiguous or evolving requirements create inconsistent bids, pricing variance, or risk of material change challenge.	Ensure bidder-proof specification; internal technical assurance; internal readiness for receipt/response to points of clarification; controlled change management; clear scope boundaries and exclusions.
3. Commercial & Pricing Risk	Bidders price in excessive contingency due to unclear scope, dependencies or risk allocation.	Provide transparent assumptions; require pricing assumptions; include risk-focused method statements; evaluate realism and deliverability, not low-ball pricing.
4. Legal & Challenge Risk	Inadequate documentation, unclear scoring, or inconsistent moderation increases risk of legal challenge.	Standardised scoring framework; evaluator training; evidence-based moderation; Legal review of ITT and evaluation model; full audit trail.
5. Market Capacity & Attractiveness	Limited market interest or unattractive commercial terms reduce competition and value for money.	Appropriate soft market testing; expression of interest process; clear mobilisation expectations; proportionate requirements; transparent evaluation model; avoid over-specification.
6. Mobilisation & Transition Risk	Successful bidder cannot mobilise at pace due to unclear onboarding, data access or Council dependencies.	Include mobilisation plan requirement; define Council responsibilities; readiness criteria for contract commencement; early mobilisation checkpoints.
7. Contract Management Readiness	Insufficient internal capacity or unclear roles post-award lead to drift, scope creep or poor performance.	Define contract management structure; set KPIs and reporting cadence; name a Contract Manager; use quarterly delivery breakdowns and milestone points.
8. Data, Information & Access Risk	Delays in providing data, systems access or information reduce bidder confidence and impact mobilisation.	Pre-identify required data and access; include data-readiness statement; assign internal data owners; provide secure transfer mechanisms.
10. Procurement Fraud	Fraud, collusion or conflicts of interest distort the competition, leading to poor value for money, reputational damage and potential legal challenge.	<ul style="list-style-type: none"> • Follow procurement standing orders; • conflict-of-interest declarations for all involved; • segregation of duties and controlled access to bid information; • secure evaluation records and audit trail;

Risk Category	High-Level Procurement Risk	Mitigation / Control
		<ul style="list-style-type: none"> • apply appropriate anti-collusion statements and bid-rigging checks; • use whistleblowing routes and escalate concerns to Internal Audit
11. Supplier Due Diligence	<p>Insufficient checks on bidder capability, financial standing, compliance or supply chain lead to delivery failure, contract disruption or regulatory exposure.</p>	<ul style="list-style-type: none"> • Use proportionate selection/qualification questions; • verify financials, insurances and references; • check sanctions/exclusions and modern slavery statements; • assess subcontractors and key personnel; • require evidence for accreditations/certifications; • include clear termination/step-in and reporting requirements
12. Cyber / Information Security	<p>Supplier cyber weaknesses or insecure information handling during procurement/mobilisation cause data loss, service disruption, or non-compliance.</p>	<ul style="list-style-type: none"> • Include security requirements and evaluation criteria (e.g., ISO 27001 or equivalent); • require incident reporting timescales; • apply least-privilege access and secure data transfer; • complete DPIA/IG review where needed; • mandate security testing/assurance before mobilisation; • ensure contracts include data protection, audit rights and subcontractor controls

3.4 Environmental implications

3.4.1 Environmental implications will vary project by project and be considered within each project's business case.

3.5 Equalities implications

3.5.1 Equality Impact Assessments (EIAs) will be required on a project-by-project basis to ensure that all proposed changes are assessed for their potential impact on individuals and groups with protected characteristics. Each project must complete an EIA screening at initiation, with a full EIA undertaken where screening identifies potential adverse or differential impacts. EIAs must be developed in line with the Council's Public Sector Equality Duty and must inform decision-making, design choices, consultation activity, and implementation planning. The Supplier will be expected to support the Council in identifying equality-related risks, evidencing mitigations, and ensuring that proposed interventions promote fairness, accessibility, and inclusive outcomes for residents and staff. No project will progress through governance without an approved EIA appropriate to its scope and impact.

3.6 Corporate Parenting implications

3.6.1 Corporate Parenting implications will vary project by project and be considered within each project's business case.

4. Background Papers

None