

Contract and Financial Procedure Matters Report - addendum

SUMMARY

- 1.1 This report deals with the following items that require reporting to and approval by Council Cabinet under Contract and Financial Procedure rules:
- approval to extend a contract.

RECOMMENDATION

- 2.1 To waive contract procedure rules and approve the extension of the current HRIS project manager contract until 31 March 2015.

REASONS FOR RECOMMENDATIONS

- 3.1 To comply with the Council's Contract and Financial Procedure rules.

SUPPORTING INFORMATION

4. Waiver of Contract Procedure Rules - HRIS

- 4.1 The current project manager contract for the Human Resources Information System – HRIS - project expired on 31 December 2014. In order to fully deliver the benefits of HR self-service and allow efficiency savings to be achieved within HR operations, it is proposed that continuity is maintained and that the project manager contract is extended until 31 March 2015 at a cost of £10,920. Extending the existing project manager contract is the only cost effective option, as to bring in a new project manager would add to the costs and delay completion of the project.
- 4.2 It came to light in progressing this extension that, when the project manager role was filled back in May 2014, the required number of quotes were not obtained. The value of the contract then was estimated to be £ 37,800 for 90 days work; which under contract procedure rules should have led to a tender, or the use of a framework contract. In addition, the Matrix agency contract was considered at that time, but it would appear that a decision was taken not to use this as it would have added a margin on top of the quoted fee.
- 4.3 A contract extension of under £30,000 can normally be approved via a departmental delegation however, given the circumstances and the total value of the contract being £48,720 if the extension is granted, Cabinet approval is being sought.
- 4.4 Cabinet approval is sought to enter into the contract extension at a cost of £10,920 which can be funding from the existing project budget.

SUPPORTING INFORMATION

5. Other Options

- 5.1 Do not extend the contract – this would mean that the benefits of the project would not be met at a cost greater than the proposed contract extension to bring the project to a close.
- 5.2 Consider the waiver under departmental delegation – whilst this would normally be the case it is not considered appropriate given the total contract value.

This report has been approved by the following officers:

Legal officer Financial officer Human Resources officer Estates/Property officer Service Director(s) Other(s)	Janie Berry, Director of Legal & Democratic Services Toni Nash, Head of Finance – Adults, Health & Housing and Resources Nick O'Reilly, Director of Information Systems Ray Poxon, Head of Procurement
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For more information contact: Background papers: List of appendices:	Martyn Marples 01332 643377 e-mail martyn.marples@derby.gov.uk None Appendix 1 – Implications
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IMPLICATIONS

Financial and Value for Money

- 1.1 As detailed in the main body of the report and appendices.

Legal

- 2.1 If a waiver to contract procedure rules is required, the rules state that contracts of this value should be considered by Cabinet.

Personnel

- 3.1 None directly arising.

IT

- 4.1 None directly arising.

Equalities Impact

- 5.1 None directly arising.

Health and Safety

- 6.1 None directly arising.

Environmental Sustainability

- 7.1 None directly arising.

Property and Asset Management

- 8.1 None directly arising.

Risk Management

- 9.1 There is a risk of the original award being challenged.

Corporate objectives and priorities for change

- 10.1 Obtaining value for money