
Report to: Audit Committee

Date of Meeting 3rd February 2022

Subject: Exceptions from the Application of Contract Standing Orders

Report by Strategic Director Partnership & Performance

1.0 Purpose

- 1.1 It is a requirement of Contract Standing Orders that exceptions should be reported to the next available Audit Committee. The purpose of this paper therefore is to provide detail on Exceptions to Contract Standing Orders submitted in the previous quarter.

2.0 Recommendations

- 2.1 The Committee is asked to note the report, commenting and challenging as appropriate

3.0 Considerations

- 3.1 Contract Standing Orders (CSO's) apply to all contracts entered into by Council officers. In some circumstances however, exceptions may be granted.
- 3.2 The appropriate senior manager must record their reasons in writing in the form of an exception report for a decision, which must be submitted to the Strategic Director, Partnership and Performance, for consideration.

The Strategic Director is required to consult with the Chief Finance Officer (S95) and Procurement Manager before taking any action that binds the Council. It is a requirement that any such exception shall be reported retrospectively in full to the next Audit Committee, including the reasons that fully justify the exception. A summary of CSO exemptions will also be provided as part of the Annual Procurement report to the Audit Committee.

- 3.3 Two exceptions were considered since the last report in November 2021

3.3.1 to permit the appointment of MHR to Supply iTrent (HR and Payroll System) over a 4 Year and 4 month period to the value of £496,762.51. This comprises £386,776.01 for the iTrent System plus £109,986.50* for payroll processing service referenced 2/6/1901

Granted

The recommendation was to approve the request for an exception to Council to allow the Council to maintain continuity of supply on the basis that:

- Engagement of MHR iTrent over 4 year period provides better value for money when compared against G Cloud pricing;
- Continuation with MHR iTrent ensures existing skills and knowledge as well as system enhancements are maintained
- MHR iTrent delivers a market recognised, accurate and legislatively compliant HR/Payroll solution.
- The Payroll Processing Service would build resilience and capacity into the Council's payroll function
- Maintaining the system ensure consistency in payroll and HR operational delivery.

The MHR solution ensures Business Continuity if Council premises were unavailable or critical systems failed. MHR have dual power/dual internet provision as well as robust security at their premises

Conditions

A completed and authorised Procurement form 2 required
A purchase order for the full value issued
Public Contract Scotland Award notice, issued

3.3.2 to permit the appointment of Volunteering Matters to Supply a Project to support improvement in services for care experienced young people over a 4 month period up to 31st March 2022 to the value of £14, 251. Referenced 2/6/1907

Granted

The recommendation is to approve the request for an exception to Council to allow the Council to engage the services of Volunteering Matters to carry out a programme to support improvement in services for care experienced young people locally.

There is no other organisation capable of undertaking the programme and none of the LEP partners has the capacity or expertise to carry out this piece of work which is also a collaboration with Scottish Borders and Dumfries & Galloway Councils to individually and collectively:

- Augment the voice of young people aged 16 – 25 who are care experienced
- Provide an independent and improvement-oriented framework to self-assess services, involving care experienced young people

- To review referral pathways and both internal and external handover processes and protocols
- Support in re-orientating existing structures, services, commissioning frameworks and pathways to enable improvement – based on the Scottish Approach to Service Design supporting the No One Left Behind principles to delivering on the Young Person’s Guarantee for Care Experienced young people

Conditions

A completed and authorised Procurement form 2 required
 A purchase order for the full value issued
 Public Contract Scotland Award notice, issued

4.0 Sustainability Implications

- 4.1 There are no direct sustainability implications arising from the recommendations in this report.

5.0 Resource Implications

- 5.1 Financial Details - there are no direct implications for the Council's budget arising from this report
- 5.2 Staffing - there are no direct implications for the Council's establishment arising from this report

6.0 Exempt Reports

- 6.1 Is this report exempt? Yes (please detail the reasons for exemption below) No

7.0 Declarations

The recommendations contained within this report support or implement our Corporate Priorities and Council Policies.

- (1) **Our Priorities** (Please double click on the check box)

Clackmannanshire will be attractive to businesses & people and ensure fair opportunities for all

Our families; children and young people will have the best possible start in life

Women and girls will be confident and aspirational, and achieve their full potential

Our communities will be resilient and empowered so that they can thrive & flourish

- (2) **Council Policies (Please detail)**

Contract Standing Orders

Financial Regulations

8.0 Equalities Impact

8.1 Have you undertaken the required equalities impact assessment to ensure that no groups are adversely affected by the recommendations?

N/A

9.0 Legality

9.1 It has been confirmed that in adopting the recommendations contained in this report, the Council is acting within its legal powers. Yes

10.0 Appendices

10.1 Please list any appendices attached to this report. If there are no appendices, please state "none".

none

11.0 Background Papers

11.1 Have you used other documents to compile your report? (All documents must be kept available by the author for public inspection for four years from the date of meeting at which the report is considered)

No (please list the documents below)

Author(s)

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Derek Barr	Procurement Manager	2017

Approved by

NAME	DESIGNATION	SIGNATURE
Stuart Crickmar	Strategic Director Partnership & Performance	