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| Title of Report | EXEMPTIONS FROM THE CONTRACT PROCEDURE RULES IN Q2 2020/21 | |
| Presented by | Councillor Nicholas Rushton Corporate Portfolio Holder | |
| Background Papers | Procurement Policy Note (PPN 01 20) | Public Report: Yes |
| | | Key Decision: No |
| Financial Implications | Contracts being entered into within current budgets. | |
| | Signed off by the Section 151 Officer: Yes | |
| Legal Implications | An exemption is being made from the Councils Contract Procedure Rules and the Public Contracts Regulations 2015. Legal and procurement advice has been sought in the preparation of this report. | |
| | Signed off by the Monitoring Officer: Yes | |
| Staffing and Corporate Implications | Agile ICT enables staff to work from home during pandemic. | |
| | Signed off by the Deputy Head of Paid Service: Yes | |
| Purpose of Report | To report to Cabinet exemptions given to the Contract Procedure Rules by Statutory Officers | |
| Reason for Decision | To note the exemptions as required by the Constitution | |
| Recommendations | CABINET NOTES THE EXEMPTIONS MADE BY STATUTORY OFFICERS TO THE CONTRACT PROCEDURE RULES | |

1.0 BACKGROUND

1.1 When procuring any new contract the Councils Contract Procedure Rules set out how this should be done. Where a contract is £25,000 or more a competitive tender is required.

1.2 There are circumstances when a competitive tender is not possible or practical. If the circumstances fall under one of the following titles the Statutory Officers, in agreement, have the ability to exempt the procurement from the CPRs, allowing for a direct award to the contractor of choice:

1.2.1 Only one supplier is available for technical or artistic reasons; and

1.2.2 Extreme urgency exists for unforeseen reasons which are not attributable to the Council and the various time limits cannot be met.

1.3 Each time an exemption is sought a comprehensive report is needed to document why this procurement falls under one of the titles. An exemption report is compiled and approval sought from statutory officers. All approvals are then reported to cabinet on a quarterly basis

2.0 COVID 19

2.1 The Covid 19 pandemic has required rapid response decisions and implementation of contracts at short notice. Government have issued Procurement Policy Note (PPN 01 20) to remind Councils that the use of PCR2015 Regulation 32 permits the award of contracts without competition in unforeseen emergencies and our own CPR's (3.1.1b) reflect this. Actions that could be considered to compliantly expedite the procurement process are as follows;

- direct award due to extreme urgency;
- direct award due to absence of competition or protection of exclusive rights;
- call off from an existing framework agreement or dynamic purchasing system;
- call for competition using a standard procedure with accelerated timescales;
- extending or modifying a contract during its term.

Recommended procedure

- If the contract value is under 25K then this can be approved by Head of Service – An officer decision record should be completed
- If the contract is over 25k. In the first instance contact procurement for advice who will advise the most appropriate route to procure, and all the above options will be considered.
- Where direct award is made without competition an exemption form must be completed and signed
- Where accelerated timescales are required for a competition, contact procurement for advice
- Where a contract extension or modification is required, in the first instance contact procurement for advice who will advise the most appropriate route to procure, and all the above options will be considered.
- **Note: All exemption forms have to be signed off by Head of Paid Service, S151 Officer and Monitoring Officer (or any of their deputies).**

3.0 AGILE ICT

3.1 In order that Council staff have the same ICT provision working from home as they would have in the office, our ICT team needed to purchase numerous items of equipment including monitors cabling, docking stations and engineering support to install these. Whilst there was insufficient time for a full competitive tender, thorough market testing was undertaken whereby quotes were obtained from [4] potential providers. A clear leading provider was identified who not only could supply everything required in one place, but also at the best value.

3.2 An exemption was granted by statutory officers on the basis of extreme urgency and a contract was awarded to ACS Limited. See annex 1.

4.0 PAYROLL AND HR SOFTWARE

- 4.1** The Council have had a contract with Midland HR, due to expire in August 2021. This is a specific piece of software into which the council invested a lot financially and in time into implementing the software and hr and payroll data. It is not possible to buy an 'off the shelf' payroll software. Any software needs to be bespoke to the Councils critical areas. Only Midland HR as the incumbent provider would be able to provide a compatible system as it is currently set up.
- 4.2** An exemption was granted by statutory officers on the basis only one supplier is available for technical reasons and a contract awarded to Midland HR. See annex 2.

5.0 COUNCIL CHAMBER TEAMS ROOM

- 5.1** As a result of Covid, with very little time to prepare, the Councils ICT team had to facilitate virtual committee. An initial set up was adequate but issues of feedback, latency, echo and lack of fluidity during the meetings meant that an upgrade was desperately needed to provide a reliable and functional environment conducive to productive work.
- 5.2** At the time the Council was working with ACS Limited on their agile ICT system. They had already proven to offer extremely good value for money and reliable and trustworthy.
- 5.3** There was insufficient time to run a competitive tender and also an exemption was granted by statutory officers on the basis of extreme urgency and a contract was awarded to ACS Limited. See annex 3.

| Policies and other considerations, as appropriate | |
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| Council Priorities: | Not applicable. |
| Policy Considerations: | Not applicable. |
| Safeguarding: | Not applicable. |
| Equalities/Diversity: | Not applicable. |
| Customer Impact: | Not applicable. |
| Economic and Social Impact: | Not applicable. |
| Environment and Climate Change: | Not applicable. |
| Consultation/Community Engagement: | Not applicable. |
| Risks: | Not applicable. |
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