

NORTH WEST LEICESTERSHIRE DISTRICT COUNCIL

CABINET – 3 MAY 2016

Title of report	AUTHORITY TO AWARD HR/PAYROLL SOFTWARE SOLUTIONS CONTRACT
Key Decision	a) Financial Yes b) Community No
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Purpose of report	The report requests that Cabinet delegates authority to award the HR/Payroll software solutions framework agreement to the Interim Director of Resources in consultation with the Corporate Portfolio Holder.
Reason for Decision	<p>The level of expenditure on this contract exceeds the authority threshold in the Scheme of Delegation.</p> <p>To ensure the continuity of provision of HR and Payroll Services to the Council.</p>
Council Priorities	Value for Money.
Implications: Financial/Staff Link to relevant CAT Risk Management Equalities Impact Screening Human Rights	<p>Financial implications contained within existing budgets, no staffing implications</p> <p>Not applicable</p> <p>Not applicable</p> <p>Not applicable</p> <p>Not applicable</p>

Transformational Government	Not applicable
Comments of Head of Paid Service	The report is satisfactory.
Comments of Deputy Section 151 Officer	The report is satisfactory.
Comments of Deputy Monitoring Officer	The report is satisfactory.
Consultees	None
Background papers	None
Recommendations	THAT CABINET DELEGATES AUTHORITY TO AWARD THE CONTRACT FOR THE PROVISION OF A HR/PAYROLL SOFTWARE SOLUTION FOR THE PERIOD 1ST AUGUST 2016 TO 31ST JULY 2021 WITH THE OPTION TO EXTEND UNTIL 31ST JULY 2023 TO THE INTERIM DIRECTOR OF RESOURCES IN CONSULTATION WITH THE CORPORATE PORTFOLIO HOLDER.

1. BACKGROUND

- 1.1 The Council currently has an integrated HR and Payroll system provided by Selima Limited. Selima also provides a managed payroll service. The contract with Selima expires on 31st March 2017 and cannot be extended further for procurement reasons.
- 1.2 A HR/Payroll Project Board and Project Team have been established to implement a HR/Payroll solution effective from April 2017. The Project Team has created a vision for the HR/Payroll system:

From April 2017, the Council will have an integrated HR and Payroll System. The Self service system will be easily accessible by all employees either through their work or personal pc, mobile or tablet, where they will be able to request annual/flexi leave, submit mileage, overtime and expenses claims (including receipts) and view their e-payslips.

Managers will be able to record sickness, training and appraisals and approve annual/flexi leave, overtime, mileage and expenses claims through the system and enter leaver details. Reporting will be available to managers for items such as sickness, staffing structures, costs and absence calendars.

Our HR/Payroll processes will be online and paper free, with reduced resources required within the HR and Exchequer teams.

It would also be desirable to have an integrated applicant tracking system and a shift scheduling / time recording system capable of managing multiple employments in a 7 day a week Leisure Centre environment.

- 1.3 It was agreed by the Corporate Leadership Team, on the 16th February 2016, following a recommendation from the HR/Payroll Project Team, that the preferred option to meet the desired outcomes in the vision is to procure a HR/Payroll software solution through an existing framework and to bring the provision of a payroll service back in house.

2 PROCUREMENT ROUTE

- 2.1 The contract with Selima Limited for the HR/Payroll software and payroll managed service is due to expire on the 31st March 2017. Written notice to terminate the arrangement will be issued by the Council to Selima in September 2016 to provide them with the 6 months notice required by the contract. It is the intention to purchase the HR/Payroll software through ESPO using their Corporate Software Solutions Framework Agreement from August 2016. The estimated value of the contract is between £200,000 and £250,000.
- 2.2 There will be approximately an eight month overlap period where both contracts will be live to allow for the transfer of data, testing and dual running of the new system. The new system will be live from April 2017. To comply with the requirements of the Framework, a further competition exercise has to be undertaken to select the preferred supplier. This procurement route adheres to the requirements of the Constitution (paragraph 2.6 of the Contract Procedures Rules).
- 2.3 In order to award the contract in relation to the supply of a HR/Payroll Software Solution for the period 1st August 2016 to 31st July 2021, with the possibility of extending to 31st July 2023, - Cabinet is requested to delegate authority to the Interim Director of Resources in consultation with the Corporate Portfolio Holder.