

27<sup>th</sup> October 2021

## Officer Decision

Director, Customer & Communities

### **Approval of ICT procurements with a whole life contract value of over £250k: HR & Payroll System**

#### **Summary**

- 1) The report presents a proposal to renew a core ICT system in the council with a whole life contract value of over £250k. This is defined as non-key routine procurement as per the council's contract procedure rules and expenditure will fall within existing capital and revenue budget provisions. The proposal for the reprocurement of the council's HR and Payroll system is contained at the annex to this report.

#### **Recommendation**

- 2) To approve the reprocurement of a HR & Payroll system for the council at a total three year cost of £343k as laid out in the attached Annex.

#### **Background**

- 3) The contract procedure rules state:

*“7.7 - Where the aggregate contract value (including any extension) is between £250,000 and less than £500,000 then the decision to enter the contract requires the approval of an Executive Member or the Executive unless the procurement is treated as Routine as defined in clause 7.9.*

*7.8 - Where the aggregate contract value (including any extension) is £500,000 or more the decision will be regarded as a Key Decision unless the Chief Finance Officer acting in consultation with the Monitoring Officer has approved the procurement as Routine.*

*7.9 - A Routine procurement is any arrangement that represents a low commercial and legal risk to the Council and relates to procurement of*

*goods, services or works with a clearly defined specification and that clearly relate to the routine day to day operation of the Council. Routine procurements will be limited to items such as utilities, insurance or stationery. Where Officers consider a procurement process may be Routine, they are required to liaise with Commercial Procurement who will advise on the relevant paperwork to be submitted to the Chief Finance Officer. Authorisation to treat a procurement as Routine must be sought before the procurement process commences. A Director may enter a Contract where the procurement has been treated as Routine. An updated register of routine procurement must be presented regularly to the Executive Member for Finance and Performance.”*

- 4) It has been agreed for transparency that that whilst the procurements in the annexes have been agreed as routine by the Monitoring Officer and the Acting Section 151 Officer (Chief Finance Officer), and approved by the relevant Chief Officer, each decision will be scrutinised/approved by the Executive Member for Finance and Performance rather than presented in a register. *In this case due to contract renewal timescales and the critical system involved this has not been possible prior to the decision and so this scrutiny will be provided in a public Executive Member Decision Session following this decision.*
- 5) Whilst in some cases the procurement route will be indicated in the annex, as a general rule the most appropriate procurement route will be used in line with professional procurement advice, as determined at the time the council is ready to issue the related specification.

### **Consultations**

- 6) The council's officer ICT Board members and statutory officers have been consulted in the formation of the recommended decisions in this report.

### **Options/Analysis**

- 7) Any options and analysis considered will be contained within the annexe.

### **Council Plan**

- 8) Outcomes achieved by the activities covered in this report help to deliver all services across the council, but particularly support the Council Plan 2019 - 23 priority of An Open and Effective Council in supporting the delivery of digital services.

## Implications

- 9)
- a. **Financial:** The procurements will fall within existing capital and revenue budget provisions.
  - b. **Human Resources (HR):** Non approval of this procurement will have serious implications in respect of essential HR and payroll processes and could impact on the delivery of all services delivered by the schools and those organisations who contract with the council to deliver their payrolls.
  - c. **Equalities:** None
  - d. **Legal:** The procurement exercise will be undertaken in accordance with the Council's Contract Procedure Rules and the Council's Financial Standing Orders.
  - e. **Crime and Disorder:** None
  - f. **Information Technology (ICT):** As covered in the Annexes
  - g. **Property:** None
  - h. **Other:** None

## Risk Management

- 10) The controls and evidence in this report mitigate/minimise risks associated with:
- the impacts of availability of core systems that the council relies upon and without which day to day services would be impacted;
  - future-proofing of core platforms that digital services rely upon.

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### Chief Officers Responsible for the report:

Pauline Stuchfield  
Director Customer & Communities

**Report Approved**

**Date** 27/10/2021

**Specialist Implications Officer(s)**

Financial: Debbie Mitchell, Chief Finance Officer

Legal: Janie Berry Director of Governance

**Wards Affected:** *List wards or tick box to indicate all*

**All**

**Annexes:**

Annex A – HR & Payroll System Procurement

**List of abbreviations used in this report:**

CYC          City of York Council

ICT          Information & Communications Technology