

Report of: Commissioning Programme Manager

Report to: Children's Services Head of Service – Learning Improvement

Date: 28 July 2016

Subject: Waiver of Contracts Procedure Rules 8.1 and 8.2 to vary the existing contract with SLA On-line (Frontline Data Ltd) to allow the provision for the supply of a Governor Support module



Are specific electoral Wards affected? If relevant, name(s) of Ward(s):	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Is the decision eligible for Call-In?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number: Appendix number:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

Summary of main issues

1. The Governor Support Team currently meet their responsibilities through use of an in-house governor database. The current governor database is inefficient. By moving to a more efficient database, staff time would be re-assigned to income generation and there would be added value to the traded service.
2. Three main options have been considered:
 - Do nothing – continue to use the existing database
 - Develop a new database in-house (two options: ICT or Children's Services)
 - Purchase a third party solution
3. Children's Services IM&T Steering Group and ICT support the option of procuring a third party solution.
4. ICT Strategic Sourcing have advised that there are two options:
 - (a) carry out a full competitive tender exercise

(b) request a waiver to Contract Procedure Rules 8.1 and 8.2 and dispense with a full competitive tender exercise.

5. Children's Services IM&T considers that option (b) is more appropriate for the reasons set out in this report.

Recommendations

1. The Head of Service Learning Improvement is recommended to approve the waiver of Contracts Procedure Rules 8.1 and 8.2 to vary the existing contract with SLA On-line (Frontline Data Ltd) to allow the provision for the supply of a Governor Support module.

1 Purpose of this report

- 1.1. The report seeks approval to waive Contract Procedure Rules 8.1 and 8.2, to vary the current contract with SLA Online (Frontline Data Ltd) by adding the provision for the supply of a Governor Support module.

2 Background information

- 2.1. The current Children's Services Learning Improvement governor database is inefficient and has limitations. With a more efficient database, staff time could be re-assigned to income generation and there would be added value to the traded service.

Existing Situation

- 2.2. The Governor Support Team currently meets their responsibilities through a governor database hosted on InfoBase. InfoBase will cease at the end of August 2016. The intention is to have the new module in place by then. If this is not achievable, ICT will provide an alternative host (platform) for the governor database. However, the current limitations and inefficiencies in the existing governor database will not be addressed by a change of platform.
- 2.3. Approx. £9,343 per year is lost in staff time due to inefficient working practices associated with use of the current database. A further £9,000 of potential income is being lost due to unfulfilled governor training requests. Lost staff time working with the existing database also contributes to other income streams not being pursued.

Options

- 2.4. The Governor Support Service Manager (Kathryn Wilkinson) is also the regional National Coordinators of Governor Services representative, and has identified a number of options currently in use across other local authorities. They either:
 - use an internal database
 - provided by their own ICT Services team
 - provided by their Children's Services data management team, or
 - use one of three external providers products:
 - a module available from SLA Online (Frontline Data) online. SLA Online (Frontline Data Ltd) currently supplies Leeds City Council with an online trading solution
 - a module available from Paritor Quorum
 - a module available from Synergy (GATS – Governors Administration and Training System)
- 2.5. Each option has been evaluated and measured against:
 - satisfying the Statutory Duties imposed on Leeds City Council
 - meeting the non-statutory guidance from the DfE
 - enabling the Governor Support Team to honour existing SLAs with schools and academies
 - ability to provide efficiencies and add additional value to the traded service.

Findings

- 2.6. The internal solutions are prohibitively expensive and also have demand implications for LCC resources.
- 2.7. Of the three external providers, only the SLA Online (Frontline Data Ltd) Governor Support Module meets Children's Services' requirements. There is also a great deal of synergy and transferrable data already available in the current contract with SLA On-line (Frontline Data Ltd).
- 2.8. Children's Services have a contract for traded services with SLA Online (Frontline Data Ltd). This contract was awarded on 24 February 2015 for a period of 1year with an option to extend for a further 4x 1year. The first 1year option has already been taken up. The contract reference is 9TWF-PBO4SV: LCCITS140048.

Costs and Benefits

- 2.9. The full annual cost for the SLA Online (Frontline Data Ltd) Governors Support module in Year1 is £5,745 (£3,995 for the module and £1,750 data migration costs). SLA Online (Frontline Data Ltd) has agreed to *pro rata* the non-migration cost element of £3,995 in Year1 to enable the additional module to have a co-terminus date (24 February 2017) with the existing contract with SLA Online (Frontline Data). Therefore, the costs from the 25 July 2016 to 24 Feb 2017 will be £4,080 (£2,330 + £1,750). Subsequent, full year costs are £3,995.
- 2.10. The Service benefits from a reduction in staff time associated with use of the current inefficient database, which in turn will release resources to focus on additional income generating activities. The forecast savings in staff time over a full year are in excess £9,343, with predicted additional income in excess of £9,000. (In Year1, commencing 25 July ending 24 Feb 2017, there would be £5,450 saved in staff time and £5,250 in predicted additional income). Subsequent, full year income is predicted to be £10,495.

3 Main issues

Reason for Contracts Procedure Rules Waiver

- 3.1 A full competitive tender exercise for the procurement of a Governor Support module would satisfy the Contracts Procedures Rules. However, a Waiver is sought because:
 - there has been extensive soft market testing
 - there are limited products on the market
 - only one external supplier meets the requirements
 - that external supplier already has a contract with the Council
 - there would be system synergy, utilising common data
 - the contract cost is low, £5,745 for Year1 and £3,995 thereafter.
 - the contract cost is within budget
 - the external supplier has agreed to tie in the module to the existing contract. The current contract began 24 Feb 2015 and is on a 1+1+1+1 basis
 - reports from Children's Services Traded Services state that the external supplier is meeting current contract requirements and delivering a good service
 - there would be financial and time savings benefits by not carrying out a full tender exercise
 - time savings through not going through a full competitive tender exercise are expected to assist with the closure of the existing database host (platform) InfoBase

Consequences if the proposed action is not approved

- 3.2 If the waiver action is not approved, there will have to be a full competitive tender exercise. This will lead to:
- a delay in achieving efficiency savings
 - a delay in generating additional traded income

4 Advertising

- 4.1 This contract opportunity will not be advertised. The contract is below the threshold for EU procurement regulations.

5 Corporate Considerations

5.1 Consultation and Engagement

- 5.1.1 There has been some soft market testing which has confirmed that the SLA On-Line (Frontline Data Ltd) Governor Support Module will be effective and efficient.

5.2 Equality and Diversity / Cohesion and Integration

- 5.2.1. The addition of the Governor Support Module to the existing SLA On-Line (Frontline Data Ltd) contract has no impact on Equality and Diversity / Cohesion and Integration.

5.3 Council Policies and Best Council Plan

- 5.3.1. The project will deliver additional income to the Council.

5.4 Resources and Value for Money

- 5.4.1. Funding for the resource for 2016/17 is available within the Governor Support Team budget.
- 5.4.2. Regular meetings will take place between Leeds City Council and SLA On-line (Frontline Data Ltd) to monitor progress and ensure service delivery to the required standards once a contract is awarded.
- 5.4.3. The addition of the Governors Support module to the contract will include options to extend for future years, which will be concurrent with the existing contract. The take up of options will be conditional on contract performance and the availability of funding. Funding in subsequent years will be covered by additional income.

5.5 Legal Implications, Access to Information and Call In

- 5.5.1. This contract is not subject to Call In under the provisions made in the Council Constitution.

5.6 Risk Management

- 5.6.1 There is considered to be a negligible risk of challenge from other providers to the decision.

6 Conclusions

- 6.1 This report concludes that there is justification for a waiver of the full tender process.

7 Recommendations

- 7.1 The Head of Service Learning Improvement is recommended to approve the waiver of Contracts Procedure Rules 8.1 and 8.2 to vary the existing contract with SLA On-line (Frontline Data Ltd) to allow the provision for the supply of a Governor Support module.

8 Background documents¹

- 8.1 None

¹ The background documents listed in this section are available to download from the Council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.