

Report of Deputy Head of HR (Strategy)

Report to Chief Officer HR Lorraine Hallam

Date: 10th May 2017

Subject: Variation to Cornerstone on Demand contract to allow continued use of our on line appraisal and learning systems

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| 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 checked="" type="checkbox"/> Yes | <input type="checkbox"/> No |

Summary of main issues

The contract for the provision of an on-line Performance and Learning System was awarded on 20th December 2011 for a three year period. An eighteen month extension was agreed in December 2014, followed by a further 12 month extension in June 2016.

This report seeks approval to vary and extend the existing contract for 15 months (until September 2018).

Recommendations

The Chief Officer HR is asked to approve the variation of the Contract in accordance with Contract Procedure Rule 21(Contract Extensions and Variations) for the provision of an on-line Performance and Learning System commencing June 2017, for a 15 month period.

The council continues options work around on-line Performance and Learning systems, and make recommendations by December 2017 for the best solution post September 2018.

1 Purpose of this report

This report recommends that the Council continues options appraisal work for the future requirements of online Performance and Learning systems.

It also seeks to vary the contract for the provision of the current on-line Performance and Learning System we have with the current provider, Cornerstone on Demand, to allow for continued use for a further 15 months from June 2017 to September 2018.

2.0 Background information

- 2.1 The current contract for the provision of on-line Performance and Learning System was awarded in December 2011 for a three year term as an addendum to the QA contract for 'The Provision of Learning and Development Services to Leeds City Council'
- 2.2 This contract was first extended in December 2014, for an 18 month period, until June 2016. This was followed by a second 12 month extension until June 2017.
- 2.3 A number of options and alternatives to Cornerstone have been considered during the year 2016/17 as part of our Core Business systems review, and further work continues to inform our long term strategy.

3 Main issues

- 3.1 The contract for the provision of an on-line Performance and Learning System with Cornerstone on Demand ends in June 2017.
- 3.2 It is proposed, that the Council extends the Cornerstone contract for on-line Performance and Learning System by 15 months, up until September 2018.
- 3.3 A range of options and alternative solutions were considered during 2016/17, prior to this recommendation to stay with Cornerstone. Our Core Business System Review informed our decision making.
- 3.4 The rationale behind the decision to recommend a variation and 15 month continuation of the Cornerstone contract is outlined in **Appendix 1**.

Corporate Considerations

4.0 Consultation and Engagement

- 4.1 HR has worked closely with colleagues in our procurement and contracting teams so that that the variation and extension of the Cornerstone contract is conducted in line with agreed process, regulations and contract terms.
- 4.2 There is a potential risk of challenge from providers in the market, which requires the Council to have a strong justification for varying the contract. This risk will be mitigated as, under the Regulations, there is a requirement to publish a notice in OJEU highlighting the modification that is being proposed.

5.0 Resources and value for money

- 5.1 The cost of continuing the service with Cornerstone is £310K for the 15 month period (equivalent to an annual cost of £248K)
- 5.2 The quality of the provision has been good. Benefits of on-line appraisal reporting have enabled the Council to introduce a Council wide appraisal system and achieve high completion rates for appraisal. The introduction of the on-line Learning system has facilitated on-line booking of training, and provided a platform for e-learning. The system has also been used for 360 reviews and the annual staff engagement survey.
- 5.2 There is an ongoing, planned budget provision available for this service.

6.0 Conclusions

- 6.1 The council should extend the contract for existing arrangements by 15 months and make recommendations in December 2017 about the longer term strategy and requirements.

7.0 Recommendations

- 7.1 The council continues options work around on-line Performance and Learning systems, and make recommendations by December 2017 around the strategy and best solutions post September 2018
- 7.2 The Chief Officer HR is asked to approve the extension of the Contract in accordance with Contract Procedure Rule 21(Contract Extensions and Variations) for the provision of an on-line Performance and Learning System commencing June 2017 for a period of 15 months.

Background documents¹

A full Delegated Decision was published in September 2011 - delegated decision number 38377 (scheme number 16399)

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.