

Authority to directly award a contract to Burendo Ltd for consultancy services under a waiver of Contract Procedure Rules 8.1 and 8.2.

Date: 6.01.2023

Report of: Head of Product Management - Place

Report to: Chief Digital Information Officer

Will the decision be open for call in? Yes No

Does the report contain confidential or exempt information? Yes No

Brief summary

Integrated Digital Services (IDS) are going through a huge programme of change whilst implementing a new structure to be able to deliver on the ever increasing demands to enable services from across the Council and the Leeds office of the West Yorkshire ICB to digitally transform their services.

Digital Change is a new function which forms part of IDS that has brought together multiple existing roles and is in the process of introducing new capabilities. This work involves huge culture change for the existing staff and the implementation of new capabilities including agile ways of working, Product Management, user research, feature capabilities and service design. To ensure that the new function is successful a decision has been taken to enlist external consultancy to review & advise on the proposed model and to coach teams in the new ways of working.

Following on from attendance at sessions during the Leeds Digital Festival in September where Burendo Ltd, amongst other suppliers, presented their capabilities and knowledge of Product Management and they have proven experience of working with the public sector including the NHS. This proposal is to direct award a short-term contract for consultancy services.

Recommendations

- a) The Chief Digital & Information Officer is recommended to approve the waiver of CPR 8.1 & 8.2 and award a contract directly to Burendo Ltd in the sum of £50,000. The contract shall commence on the 16th January 2023 and expire on the 3rd February 2023.
- b) To directly award a contract to Burendo Ltd to commence work with IDS for 20 days consultancy.

What is this report about?

- 1 The purpose of this report is to seek approval to waive CPR8.1 and 8.2 to award a short term contract to Burendo Ltd for 20 days of consultancy services. Given the financial challenge that the authority is facing, and the immediate in year savings that are required to be achieved, IDS have sought consultancy services from suppliers who are based in Leeds and who are able to work face to face with Digital Change with immediate effect. Burendo Ltd have experience of working within the public sector including the NHS, they are Leeds centre based and are able to make resources available to us immediately. As part of these discussions IDS have been able to negotiate the best rate available for this short term arrangement. Engaging in consultancy services will accelerate the implementation of the new function and the adoption of the new ways of working to support the transformation of services required to deliver the financial challenge both in year for 2022/2023 and lay the foundations for further savings targets for 2023/24 for both Leeds City Council and the Leeds office of the ICB. The timeframes are extremely tight and do not allow for a competitive process to be undertaken as this work must commence as a matter of urgency.

What impact will this proposal have?

- 2 This proposal will not impact on any other providers of consultancy services for the 20 day term.

How does this proposal impact the three pillars of the Best City Ambition?

Health and Wellbeing

Inclusive Growth

Zero Carbon

- 3 The services that are provided via the Digital Change function which consists of Product Management, Digital Transformation and the Digital Academy, all contribute towards the three pillars of the Best City Ambition by improved management of products, implementation of Digital Transformation whilst supporting service redesign and the pressures of the financial challenge and also promoting and enabling digital leadership.

What consultation and engagement has taken place?

Wards affected:

Have ward members been consulted?

Yes

No

- 4 Consultation has taken place with colleagues in Procurement and Commercial Services.

What are the resource implications?

- 5 Senior management team within Digital Change will work alongside Burendo Ltd to support the review and then to implement the recommendations post consultancy work.

What are the key risks and how are they being managed?

- 6 The key risks are the contractor does not succeed in instilling positive change during their time with us. This will be being managed by the senior management team having daily check-ins to update on progress and also be able to address any barriers on a daily basis.

- 7 By not appointing Burendo Ltd, who are specialist in Product Management & Digital Transformation, we may run the risk of not developing Digital Change to its full potential and not realising the benefits of product management lifecycle, application rationalisation and digital transformation across the authority.

What are the legal implications?

- 8 This is a Significant Operational Decision which is not subject to call-in. The report does not contain any exempt or confidential information under the Access to Information Rules.
- 9 The value of the direct award to Burendo Ltd is below the UK services threshold for the application of the Public Contracts Regulations 2015 and therefore it is not subject to the Public Contracts Regulations 2015. However, the Contracts Procedure Rules 8.1 and 8.2 require competition for procurements valued over £25k and the invitation of at least 3 written tenders. A waiver of these Contract Procedure Rules is required to award a contract direct to Burendo Ltd.
- 10 Awarding a contract direct in this way could leave the Council open to a potential claim from other potential providers, to whom this contract could be of interest, that it has not wholly been transparent. In terms and transparency, it should be noted that case law suggests that the Council should always consider whether contracts of this value could be of interest to contractors throughout the UK and beyond and, if it could, the opportunity should be subject to a wide degree of advertising.
- 11 It is up to the Council to decide what degree of advertising would be appropriate. In particular, consideration should be given to the subject-matter of the contract, its estimated value, the specifics of the sector concerned (size and structure of the market, commercial practices, etc) and the geographical location of the place of performance.
- 12 The Chief Digital & Information Officer has considered this and, due to the nature of the services being delivered and the physical location of the event is of the view that the scope and nature of the services is such that it would not be of interest to other providers.
- 13 There is a risk of an ombudsman investigation arising from a complaint that the Council has not followed reasonable procedures, resulting in a loss of opportunity. Obviously, the complainant would have to establish maladministration. It is not considered that such an investigation would necessarily result in a finding of maladministration however such investigations are by their nature more subjective than legal proceedings.
- 14 Although there is no overriding legal obstacle preventing the award of this contract, in making their final decision, the Chief Digital & Information Officer should note the above comments and be satisfied that the course of action chosen represents best value for the Council.

Options, timescales and measuring success

What other options were considered?

- 15 Other consultancy companies have been considered none of which could deliver short term engagement and recommendations given the short period of engagement.

How will success be measured?

- 16 Success will be measured by change in culture within Digital Change and implementing the recommendations across the authority & partners to deliver a more agile and accountable service.

What is the timetable and who will be responsible for implementation?

- 17 The award of contract is for a period of 20 working days, this will be spread across January 2023. The contractor will engage with the Digital Change senior management team, who will be responsible for the implementation, on a daily basis to ensure the required outcomes are being achieved. This will provide regular check ins to understand how the coaching of individuals is progressing and allows for interventions if required.

Appendices

Appendix 1

Background papers

What is your reason for waiving CPRs?

| | | |
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| There is a genuine, unforeseeable emergency meaning there is no time to go through a procurement process e.g. to deal with the consequences of extreme weather. | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| To purchase supplies or services on particularly advantageous terms due to liquidation/administration. | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| Requirement to put a contract in place with a current provider whilst a review of the services is completed. | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| Ran out of time to undertake a new procurement exercise | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No |
| Other (please provide summary here) | <input type="checkbox"/> Yes | <input type="checkbox"/> No |