

Authority to award a new contract to Cornerstone OnDemand Limited by way of a call-off under Lot 2 (Cloud Software) of the Crown Commercial Services G-Cloud 13 Framework for the provision of technology to support employee learning and performance.

Date: 30th September 2024

Report of: Interim Chief Digital and Information Officer

Report to: Interim Assistant Chief Executive – People, Digital and Change

Will the decision be open for call in? Yes No

Does the report contain confidential or exempt information? Yes No

Brief summary

The Council have used software from Cornerstone OnDemand Limited to support the management of employee performance and learning and development since 2012. The current contract expires on the 13th October 2024. The area of employee performance and learning and development is Phase 3 of the Core Business Transformation programme. Phase 2 of the programme is currently transforming and implementing new technology for Core HR and Payroll with all payrolls being live on the new system by June 2025. Resources to evaluate the business requirements, procure and implement any new technology for performance and learning and development will only become available Autumn 2025 and therefore a new three year contract with Cornerstone OnDemand Limited is required.

Recommendations

The Interim Assistant Chief Executive – People, Digital and Change is recommended to:

- a) Approve the direct award of a call-off contract to Cornerstone OnDemand Limited ('Cornerstone') under Lot 2 (Cloud Software) of the Crown Commercial Services G-Cloud 13 Framework ('Framework') for a term of 3 years from 14th October 2024 to 13th October 2027 for provision of software to support the management of employee performance and learning and development.
- b) Note that the award of the call-off contract has been processed as a direct award under the Framework in line with the relevant Framework terms and conditions.
- c) Note that the proposed value of the agreement is £722,704.22.

What is this report about?

- 1 The award of a new contract to the existing supplier (Cornerstone) for technology that supports the management of employee performance and learning and development.

What impact will this proposal have?

- 2 Awarding a new contract will ensure the Council continues to have a platform to support the delivery of quality appraisals and learning and development opportunities for employees. This improves overall service delivery through a motivated and skilled workforce.
- 3 In addition, the Cornerstone platform is used by the organisational development teams in Adults and Public Health and Children and Families to support their work with the wider city workforce employed by our partners.

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

Health and Wellbeing Inclusive Growth Zero Carbon

- 4 The health and wellbeing of the Council's workforce and that of our partners is improved by having a high quality learning and development offer.
- 5 Inclusive growth in the city is supported because the Cornerstone platform is used by the organisational development teams in Adults and Children's and Families to support the wider city workforce employed by our partners.
- 6 The Council's zero carbon ambitions are supported because this is cloud based technology rather than on premise and it also reduces the reliance on paper records.

What consultation and engagement has taken place?

Wards affected: City-wide

Have ward members been consulted? Yes No

- 7 The Core Business Transformation (CBT) Board agreed that a new Cornerstone contract would be required when the decision was taken on the implementation timeline for Phase 1 Microsoft Dynamics for Finance and Operations (December 2024) and Phase 2 MHR's iTrent System for Core HR/Payroll (April and June 2025).
- 8 The current contract with Cornerstone includes a recruitment module but this will not be part of the new contact from October 2024 as the organisation has already moved to MHR's recruitment module as of August 2024.

What are the resource implications?

- 9 This is a continuation of an existing service meaning there are no additional resource requirements.

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

- 10 Existing contract management arrangements will continue.

What are the legal implications?

- 11 The decision to award this contract is a Key Decision and was placed on the List of Forthcoming Key Decisions on 6th August 2024. There are no grounds for keeping the contents of this report confidential under the Access to Information Rules.
- 12 The Framework has been established by a third-party and the Council is permitted to procure contractors from this Framework by way of a direct award. The overarching framework terms and conditions, along with the call-off terms, have been reviewed and approved by the Procurement and Commercial Services (PACS) Legal Team, in line with Contracts Procedure Rule (CPR) 12.2. The PACS Legal team is satisfied that the third-party framework has been procured in compliance with the Public Contracts Regulations 2015, and any subsequent call-offs in line with the requisite terms are a compliant route to market.
- 13 In making their decision, the Interim Assistant Chief Executive (People, Digital and Change) should be satisfied that the use of the proposed procurement route to directly award a contract to Cornerstone will represent best value for money.

Options, timescales and measuring success

What other options were considered?

- 14 Option 1 - Do nothing. This is not a viable option as we have a responsibility to manage and provide training and development to our employees and in some cases to the wider Leeds city workforce. For some job roles there is a statutory element to the training they must receive in order to carry out their duties. If the current agreement lapsed with no new arrangements in place, this would negatively impact on all service areas in terms of their ability to manage and develop their staff. This in turn would affect service delivery to the public.
- 15 Option 2 – Use of an Internal Service Provider (ISP). In line with the obligations set out in CPR 3.1.4 the use of an ISP was considered however no suitable ISP exists for the provision of the service sought.
- 16 Option 3 – Call-off from an existing framework (Recommended).
- 17 Option 4 – Undertake a new procurement exercise. Transforming employee performance and learning and development is Phase 3 of the CBT programme. Resources to undertake this work will not be available to begin until Autumn 2025 at the earliest and therefore a new three year contract with our existing supplier is needed. Autumn 2025 to Autumn 2027 will then be used to evaluate requirements, procure and implement any new technology alongside business change activities.

How will success be measured?

18 Existing contract management arrangements will continue, managed by the Product Management Team in the Integrated Digital Service.

What is the timetable and who will be responsible for implementation? 19 A new contract needs to be in place for 14th October 2024. There is no separate implementation as the current service will continue.

Appendices

Equality screening

Background Documents

None.