

# Nottingham City Council Delegated Decision



**Nottingham**  
**City Council**

Reference Number:	4171
Author:	Jo Pettifor
Department:	Strategy and Resources
Contact:	Jo Pettifor (Job Title: Procurement Team Manager, Email: jo.pettifor@nottinghamcity.gov.uk, Phone: 01158765026)
Subject:	Contract for Maintenance and Support of Revenues and Benefits IT System
Total Value:	£111,109.35 (Type: Revenue)
Decision Being Taken:	<p>1) To approve the extension of the contract with Northgate Public Services Ltd for the Support and Maintenance of the Revenues and Benefits and Information @ Work system, for a period of 1 year from 1st April 2021.</p> <p>2) To agree dispensation from Contract Procedure Rule 4.1.2 in accordance with Financial Regulation 3.29 to allow for the extension of the contract</p> <p>3) To approve expenditure of £111,109.35 for the one year extension period proposed.</p>
Reasons for the Decision(s)	<p>The current contract for the provision of maintenance and support for the Council's Revenues and Benefits IT system ends on 31st March 2021 and therefore requires renewal in order to secure continued provision of these services pending a review of system requirements and decisions on longer term sourcing. The proposed extension will enable the continued support and maintenance of essential IT systems needed to enable the Council to fulfil its duties, until longer term arrangements are secured. The current contract with Northgate Public Services Ltd provides for automatic renewal and continuation of provision subject to payment by the Council of the agreed annual charges. The proposed extension represents best value for money as the charges agreed for the extension period have been offered at 2020/21 rates with no indexation applied. Procurement of the required systems will be undertaken during the extension period and the necessary notice should be given to end the agreement in accordance with the contract terms.</p>

<b>Other Options Considered:</b>	<p>1) Do nothing. This option was rejected as the current contract for the provision of maintenance and support for the revenue and benefits IT system is due to end on 31st March 2021, and it is necessary to contract for continued provision of this essential service from 1st April 2021.</p> <p>2) The option to undertake a full open tendering process is not recommended as the requirements for IT systems to provide revenues and benefits services are to be reviewed in order to determine the longer term requirements. Once the requirements are confirmed an appropriate compliant process will be undertaken to source longer term provision.</p>
<b>Background Papers:</b>	None
<b>Published Works:</b>	None
<b>Affected Wards:</b>	Citywide
<b>Colleague / Councillor Interests:</b>	
<b>Dispensation from Financial Regulations:</b>	Yes
<b>Consultations:</b>	Those not consulted are not directly affected by the decision.
<b>Crime and Disorder Implications:</b>	None
<b>Equality:</b>	EIA not required. Reasons: This decision relates to the continuation of existing services and does not include proposals for a change to a service, policy or function.
<b>Social Value Considerations:</b>	The proposed contract award will support social benefits to Nottingham citizens as the use of efficient systems by NRB will enable the deliver of quality, effective services to customers
<b>Any implications affecting IT:</b>	Yes
<b>Decision Type:</b>	Portfolio Holder

**Subject to Call In:**

Yes

**Call In Expiry date:**

08/04/2021

**Advice Sought:**

Legal, Finance, Procurement, IT

**Legal Advice:**

The Council may grant a dispensation from its Financial Regulations under Fin Ref 3.29. In respect of the decision to be taken it would be to dispense with the need to conduct a tendering process under Contract Procedure Rule 4.1.2.

The report sets out why the continuation of the contract is required at this time. In addition the extension provides continuity whilst the longer term arrangements for Nottingham Revenues and Benefits are finalised. Timescales would not permit a tendering process to be completed for an April 2021 contract and the service is essential for the operation of revenues and benefits. It is on this basis a dispensation needs to be considered.

The current contract was for a period of 3 years following which it can roll into a further 12 month contract period. In order for the contract to be terminated the provisions within the contract, particularly with regard to the notice period, must be followed. No notice has been given to the current provider and therefore the contract will continue for a further 12 month period and the Council will be liable for an upfront annual payment in this respect. The client team must now commence the planning of its specified requirements to ensure a new contract for no later than 1 April 2022 and notice must be served as per the contract to avoid any further continuation under the current arrangements.

Advice provided by Naomi Vass (Senior Solicitor) on 19/03/2021.

**Finance Advice:**

This decision seeks to approve the extension of the Northgate Public Services Ltd contract for the Support and Maintenance of the Revenues and Benefits and Information at Work system. The extension is for a period of 1 year from 1st April 2021.

The cost of the contract extension is £0.111m and will be met from existing budgets contained within IT (£0.081m) and the Retained Revenue and Benefits Service within Finance (£0.030m). Due to this being funded from existing MTFP budgets no financial pressure will materialise as a result of this decision.

This decision also seeks dispensation from Contract Procedure Rule 4.1.2 in accordance with Financial Regulation 3.28 to allow for the direct award and extension of the contract. This request will allow system continuity whilst the longer term arrangements for Nottingham Revenues and Benefits are reviewed. A full tender process would not have been completed in time for the renewal date due to the timescales involved. The proposed extension represents value for money as the charges agreed for the extension period have been offered at 2020/21 rates with no indexation applied however the service should ensure a full tender process is undertaken ahead of the next contract renewal date to ensure that the market has been fully tested.

Advice provided by Philip Gretton (Finance Analyst) on 22/03/2021.

**IT Advice:**

The IT Service support the proposals made within this delegated decision.  
 From a technical perspective remaining with Northgate systems represents a low risk approach as the Council will continue to use the same technical environment as at present. The technology base is Oracle which is an exception to the strategic technical intention of the Council to standardise on Microsoft products. The Council has skills and knowledge of Oracle and will be able to continue to support these products; additional technical skills are available from the market should these be required.

The IT Service encourages services to engage with it early in the project lifecycle where there is an IT requirement to ensure all technical matters are adequately taken into account.

Advice provided by Paul J. Burrows (IT Change, Projects & Strategy Manager) on 11/03/2021.

**Procurement Advice:**

A dispensation from Contract Procedure Rule 4.1.2 in accordance with Financial Regulation 3.29 to allow for the extension of the contract is required for the 12 month extension, the extension will allow us time to consider our options for the services in the future.

**Signatures**

<b>Sam Webster (PH Finance, Growth and City Centre)</b>
<b>SIGNED and Dated: 26/03/2021</b>
<b>Clive Heaphy (Chief Finance Officer)</b>
<b>SIGNED and Dated: 25/03/2021</b>
<b>Clive Heaphy (Chief Finance Officer) - Dispensation from Financial Regulations</b>
<b>SIGNED and Dated: 25/03/2021</b>
<b>Chief Finance Officer's Comments:</b>