

# Nottingham City Council Delegated Decision



**Nottingham**  
**City Council**

<b>Reference Number:</b>	2181
<b>Author:</b>	Lynn Frances Griffin-Pearce
<b>Department:</b>	Resources
<b>Contact:</b>	Lynn Frances Griffin-Pearce (Job Title: Reward and Retention Consultant, Email: lynn.griffin-pearce@nottinghamcity.gov.uk, Phone: 0115 8763621)
<b>Subject:</b>	Extension of Employee Benefits (Cost Neutral) Contract
<b>Total Value:</b>	£84k which is based on a contract value of £42k pa (approx value based on current price/charges) (Type: Nil)
<b>Decision Being Taken:</b>	To give approval for the current 3 year Employee Benefits contract to be extended for a further period of 2 years. To delegate authority to the Strategic Director of Organisational Transformation, after consultation with the Portfolio Holder, to award the contract extension.
<b>Reasons for the Decision(s)</b>	The current contract expires on 5 October 2015 and there is currently provision in the existing contract to extend it for an additional 2 years. Legal and Procurement colleagues are agreeable with this course of action and as the authority is more than happy with the current provider, there is no need to go out to tender on this occasion.
<b>Other Options Considered:</b>	To go out to tender. This is not necessary as there is provision within the current contract to extend. To do nothing. This is not an option as the current Employee Benefits contract with the Council's benefits partners, p&mm, makes a positive contribution in terms of the reputation and attractiveness of the Council as an employer of choice. In addition, the NIC savings achieved through the expanding numbers of salary sacrifice schemes helps save City Council jobs and services.
<b>Background Papers:</b>	Original Works Perks 2012 contract (file exceeds limited to be uploaded)
<b>Published Works:</b>	Total Reward booklet

<b>Affected Wards:</b>	Citywide
<b>Colleague / Councillor Interests:</b>	The Council needs to continue to be able to offer a range of salary sacrifice schemes in addition to a number of other voluntary benefits not only to compete with other employers but also to retain colleagues in the current climate of limited pay awards etc. This scheme is cost neutral as the take-up from employees using the Works Perks offer continues to grow, ensuring that the tax and NI savings cover the cost of the contract as well as contributing towards corporate savings.
<b>Consultations:</b>	<p>Date: 21/07/2015</p> <p>Other City Council Bodies: Nicola Heaton, Portfolio Holder for Communities</p> <p>Briefed by the Strategic Director for Organisational Transformation</p>
	<p>Date: 21/07/2015</p> <p>Other: Angela Probert, Strategic Director of OT</p> <p>To be briefed by Lynn Griffin-Pearce via e-mail</p>
	<p>Date: 21/07/2015</p> <p>Chief Finance Officer: Geoff Walker/Susan Titherleigh</p> <p>To be briefed by Lynn Griffin-Pearce via e-mail</p>
	Those not consulted are not directly affected by the decision.
<b>Crime and Disorder Implications:</b>	None
<b>Equality:</b>	Please login to the system to view the EIA document: Signed EIA Sept 2015.pdf
<b>Decision Type:</b>	Portfolio Holder
<b>Subject to Call In:</b>	Yes
<b>Call In Expiry date:</b>	01/10/2015
<b>Advice Sought:</b>	Legal, Finance, Procurement, Equality and Diversity

**Legal Advice:** There are no legal concerns arising from this proposal. The current contract provides for a 2 year extension period at the Council's discretion. The reason for the decision is purely to authorise the additional financial commitment by the Council albeit that this contract is on a cost neutral basis.

Accordingly the report is supported by Legal Services.

Advice provided by Naomi Vass (Senior Solicitor) on 07/08/2015.

**Finance Advice:** The value of the decision (£84,000) is based on the current contract price and an estimate of likely service charges applicable to specific schemes based on employee take up for the further 2 year extension. The cost of the contract price and scheme service charges will continue to be met from employer NI savings at the highest marginal rate applicable to salary sacrificed under schemes approved by Her Majesty's Revenue and Customs.

The extension represents value for money as it is considered likely that, at current levels of employee take up, net savings will accrue to the Council. The contract is cost neutral, the provider having contracted to bear the cost of any shortfall should NI savings fail to match or exceed total charges normally due. This provision eliminates the risk of financial loss. It is recommended that net savings continue to be monitored to determine if further sustainable and material savings can be included in the Medium Term Financial Plan.

Advice provided by C I Sharpe (Finance Analyst) on 07/08/2015.

**Procurement Advice:** The Procurement Team supports this proposal as the current contract makes allowance for the extension. Advice provided by Paul Ritchie (Procurement Category Manager) on 13/08/2015.

**Equality and Diversity Advice:** There are no significant equality considerations with the proposal. Central however is the commitment to ensure that staff via the three network groups are consulted on a periodic basis. Advice provided by Adisa Djan (Equalities and Diversity Consultant) on 08/09/2015.

**Signatures**

Nicola Heaton (Portfolio Holder for Community Services)
SIGNED and Dated: 23/09/2015
Glen O'Connell (Acting Corporate Director of Resources)
SIGNED and Dated: 16/09/2015