

Nottingham City Council Delegated Decision



Nottingham
City Council

Reference Number:	2945
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Department:	Resources
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Subject:	Invitation to tender for a new Employee Benefits contract (following expiry of existing contract)
Total Value:	£252k-based on the contract value of £84k pa with an option to extend for a further 3 years (Type: Nil)
Decision Being Taken:	<ol style="list-style-type: none">1) To give approval for invitation to tender for a new Employee Benefits Contract-for the procurement of a new cost neutral contract to coincide with the expiry of the current contract in October 2017.2) To delegate authority to the Director of Human Resources & Transformation, after consultation with the Portfolio Holder, to award the new contract following a tender exercise, which will be done in conjunction with NCH.
Reasons for the Decision(s)	The current contract expires in October 2017 and a replacement provider is needed to ensure that the Council continues to offer a comprehensive Voluntary Employee Benefits package to employees which includes a number of salary sacrifice schemes, travel to work options and a range of other discount offerings. The scheme is also needed to attract potential candidates to apply for posts with the authority. It also acts as a retention tool as part of the 'total reward' package, helping to offset the limited pay awards and lack of progression that some colleagues experience due to the challenging economic climate within the public sector. We intend to undertake a joint exercise with NCH as they currently use the same benefit partners as NCC and their contract expires at the same time.

Other Options Considered: To do nothing-this was rejected as the current contract is due to expire and the Employee Benefit contract makes a positive contribution to the attractiveness of the Council as an employer of choice particularly as the organisation is having to compete with the private sector. The award winning Works Perks scheme helps set the Council apart from it's competitors and demonstrates what a good place it is to work to young people entering the workforce for the first time. This option was therefore rejected.

To bring in house. This option was rejected as there are inadequate resources to provide this service.

To extend the current contract-the 3 year contract has already been extended for a further 2 years and to extend again would contravene corporate procurement regulations and the provisions contained in the specification document and contractual agreement. This option was therefore rejected.

Background Papers: None.

Published Works: None.

Affected Wards: Citywide

Colleague / Councillor Interests: None.

Consultations: Those not consulted are not directly affected by the decision and this change in policy/strategy does not directly impact on the citizens of Nottingham.

Crime and Disorder Implications: None.

Equality: Please login to the system to view the EIA document: EIA 2016.doc

Social Value Considerations: As part of the Works Perks package, there is the opportunity for colleagues to use a range of discounted offers. Although many of these are national offers there are also a number of local Nottingham companies that offer money off their products. The added benefit is that when colleagues use a local offer, they put some money back into the local Nottingham economy.

Decision Type: Portfolio Holder

Subject to Call In: Yes

Call In Expiry date:

25/09/2017

Advice Sought:

Legal, Finance, Procurement, Human Resources, Equality and Diversity

Legal Advice:

This report does not raise any significant legal issues provided the contract opportunity is put out to competitive tender in accordance with the Public Contracts Regulations and the City Council's Contract Procedure Rules. In addition it needs to be determined how the contract could be procured to enable the City Council's subsidiary companies to benefit from the new contract and to consider whether the contract could also include provisions which provide for benefits to be made available to new subsidiary companies created during the term of the contract.

Advice provided by Andrew James (Team Leader Contracts and Commercial) on 01/12/2016 and confirmed as still valid on 14/07/2017.

Finance Advice:

The cost of this decision is estimated to be £252,000 over a three year period. There is no specific provision for this in the MTFP and these costs will be offset against savings made, mainly from reduced national insurance contributions.

Advice provided by Ian Greator (Finance Project Manager) on 21/12/2016 and confirmed as still valid on 27/06/2017.

Procurement Advice:

The report author has already engaged with procurement to ensure compliance with the Council's financial regulations and Public Procurement Regulations. A tender will be conducted on behalf of the Council and NCH in order to secure best value for both the Council and the citizens it represents. On this basis there are no procurement concerns with the approach, although should the scope of the contract change due to additional users (such as RHE and NRB still to be confirmed at this stage) then the values may need to be amended to reflect the increased usage, or additional approval should be sought.

Advice provided by Rosalie Parkin (Category Manager) on 30/11/2016 and confirmed as still valid on 27/06/2017.

HR Advice:

There are no direct people implications as part of this decision as the contracted works do not impact on the Council's workforce. The benefits as mentioned are centered around the Council's desire to attract the right external talent and retain our current talent, which will ensure we are able to be an employer of choice and attract a diverse range of applicants for roles. Our employee benefits offer puts the Council in a strong market position.

HR advice would be to approve the decision but the advice is subject to particulars under procurement, legal and financial advice.

Advice provided by Rachael Morris (HR Business Partner) on 10/11/2016 and confirmed as still valid on 28/06/2017.

Equality and Diversity Advice:

The equality considerations have been appropriately managed within the actions of the EIA. It will be important that review processes are maintained and that consultation remains constant.

Advice provided by Adisa Djan (Equalities and Diversity Consultant) on 21/12/2016 and confirmed as still valid on 06/07/2017.

Signatures

Toby Neal (Portfolio Holder for Community & Customer Services)
SIGNED and Dated: 15/09/2017
Candida Brudenell (Corporate Director for Strategy and Resources)
SIGNED and Dated: 12/09/2017