

SOUTH LAKELAND DISTRICT COUNCIL

Delegated Executive Decisions

On **Thursday, 27 January 2022**, the following report(s) will be considered under powers delegated to Portfolio Holders, the Chief Executive and Directors for the discharge of the Council's Cabinet functions carried out within their area of responsibility.

Copies of these reports have been sent to the relevant Portfolio Holders (and all Members of the Cabinet for information), the Chief Executive, all Directors and the Monitoring Officer.

Cabinet Members, or any of the other consultees, may object to the report within five working days - **by 5.00 p.m. on, Wednesday, 26 January 2022** - by notifying the Officer named on the report of the objection and requesting that the matter be referred to the next meeting of the Cabinet for determination.

PART I

1 PROCUREMENT OF HUMAN RESOURCES AND PAYROLL SYSTEM

To consider the award of a contract for the supply of a three year contract for a human resources and payroll system to enable the Council to manage human resources and the payment of salaries and allowances.

Please note that in accordance with Section 100B(2) of the Local Government Act 1972, copies of Appendix 1 (details of proposed supplier and costs) to this report are excluded from inspection by members of the public as it contains information as described in Schedule 12A of the Act, as amended by the Local Government (Access to Information) (Variation) Order 2006, as follows:-

- Information relating to the financial or business affairs of any particular person (including the authority holding that information). (Paragraph 3)

PART II

Private Section (exempt reasons under Schedule 12A of the Local Government Act 1972, as amended by the Local Government (Access to Information) (Variation) Order 2006, specified by way of paragraph number)

There are no decisions to be taken under Part II of the agenda, however, please note that Item 1 above includes a Part II appendix.

Page Nos.

3 - 10

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South Lakeland District Council Delegated Executive Decisions

Date of Proposed Decision: Thursday, 27 January 2022

Procurement of Human Resources and Payroll System

Portfolio: Customer and Locality Services Portfolio Holder
Decision Maker: Director of Customer and Commercial Services
Report Author: Simon McVey – Operational Lead Support Services
Wards: N/A
Forward Plan: N/A

Links to Council Plan Priorities:

An effective HR and payroll system underpins the management of human resources and the payment of salaries and is critical to the day to day operations enabling the Council to meet the priorities listed below:-

Working across boundaries;
Delivering a balanced community;
A fairer South Lakeland; and
Addressing the climate emergency.

1.0 Expected Outcome

1.1 A three year contract for a human resources and payroll system to enable the Council to manage human resources and the payment of salaries and allowances.

2.0 Proposed Decision

2.1 It is proposed that:-

(1) the contract for a Human Resources and Payroll system is awarded to the supplier identified in the Part II Appendix 1 report; and

(2) the Director of Strategy, Innovation and Resources in consultation with Lead Specialist Legal Governance and Democracy enter into a contract on behalf of the Council with the supplier.

3.0 Background and Proposals

Please note that in accordance with Section 100B(2) of the Local Government Act 1972, copies of the appendix to this report are excluded from inspection by members of the public as they contain information as described in Schedule 12A of the Act, as amended by the Local Government (Access to Information) (Variation) Order 2006, as follows:-

- *Information relating to the financial or business affairs of any particular person (including the authority holding that information). (Paragraph 3)*

- 3.1 The current contract for a human resources and payroll system is due to end in February 2022 and there is no provision for a further extension to the existing contract.
- 3.2 As a result of Local Government Re-organisation in Cumbria, the Council will not be requiring a long term solution for a human resources and payroll system, it is recommended that arrangements are made to continue with the existing system under broadly the same terms and costs that exist now. The proposed length of contract will enable the system to be in place during the transition to the new authority and to be in operation beyond March 2023, if so required. The proposed contract term is for a period of 3 years. The contract is intended to start in February 2022 or as otherwise agreed.
- 3.3 The process of procuring and potentially changing HR and Payroll system providers is considered to be unachievable within the timescales available. For this reason, a direct award to the existing supplier is considered to be the most appropriate option.
- 3.4 The Director of Strategy, Innovation and Resources has agreed an exemption from the Council's Contract Procedure Rules as there is a genuinely justifiable case to use the existing supplier to maintain continuity of supply.
- 3.5 The system deals with all aspects of human resources and payroll administration including recruitment and case management. It is the system used to pay salaries and members allowances and has numerous complex interfaces to other computer systems including HMRC.

4.0 Appendices Attached to this Report

Appendix No.	Name of Appendix
1	Details of proposed supplier and costs (Part II).

5.0 Consultation

- 5.1 Consultation has taken place with human resources and finance specialists who use the system on a daily basis and also IT colleagues who host and manage the system locally.

6.0 Alternative Options

- 6.1 A full scale procurement was originally planned but this was prior to the announcement of local government reorganisation in Cumbria. It would not be an effective use of time and resources to procure and potentially implement a new system which would be required by South Lakeland for just over 12 month.

7.0 Implications

Financial, Resources and Procurement

- 7.1 This procurement has been included on the procurement schedule and the proposed annual costs are within the existing revenue budget for software.

Human Resources

- 7.2 Although this decision relates to the procurement of a human resources system there are no human resources implications.

Legal

- 7.3 Legal Governance and Democracy Specialists will advise on the contract documentation.

Health, Social, Economic and Environmental

- 7.4 Have you completed a Health, Social, Economic and Environmental Impact Assessment? No
- 7.5 It is considered however that this proposal will have a positive impact on sustainability, with a modern and agile system which will support home working.
- 7.6 Summary of Health and Sustainability Impacts

		Positive	Neutral	Negative	Unknown
Environment and Health	Greenhouse gases emissions				X
	Air Quality				X
	Biodiversity				X
	Impacts of Climate Change				X
	Reduced or zero requirement for energy, building space, materials or travel				X
	Active Travel				X
Economy and Culture	Inclusive and sustainable development				X
	Jobs and levels of pay				X
	Healthier high streets				X
	Culture, creativity and heritage				X
Housing and Communities	Standard of housing				X
	Access to housing				X
	Crime				X
	Social connectedness				X

Equality and Diversity

- 7.7 Have you completed an Equality Impact Analysis? No
- 7.8 If you have not completed an Impact Assessment, please explain your reasons: Not Applicable
- 7.9 Summary of Equality and Diversity impacts

Please indicate: P = Positive impact; 0 = Neutral; N = Negative; Enter "X"						
Age	P		0	X	N	
Disability	P		0	X	N	
Gender reassignment (transgender)	P		0	X	N	
Marriage & civil partnership	P		0	X	N	

Pregnancy & maternity	P		0	X	N	
Race/ethnicity	P		0	X	N	
Religion or belief	P		0	X	N	
Sex/gender	P		0	X	N	
Sexual orientation	P		0	X	N	
Armed forces families	P		0	X	N	
Rurality	P		0	X	N	
Socio-economic disadvantage	P		0	X	N	

Risk

Risk	Consequence	Controls required
The existing contract is not replaced.	Disruption to the running of the council without access to human resources or a payroll system.	Approve the letting of the new contract to the recommended tenderer.

Contact Officers

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Background Documents Available

None

Tracking Information

Signed off by	Date sent	Date Signed off
Legal Services	12/01/2022	17/01/2021
Section 151 Officer	12/01/2022	17/01/2021
Monitoring Officer	12/01/2022	17/01/2021
CMT	12/01/2022	17/01/2021

Circulated to	Date sent
Lead Specialist	12/01/2022
Human Resources Lead Specialist	12/01/2022
Communications Team	N/A
Leader	N/A
Committee Chairman	N/A
Portfolio Holder	N/A
Ward Councillor(s)	N/A
Committee	N/A
Executive (Cabinet)	N/A
Council	N/A

Note – Report authors must consult the relevant Portfolio Holder, members of the Corporate Management Team, the Monitoring Officer, and any other interested parties before a decision can be taken. If any objections are received, they must be reported at the meeting before the decision is taken.

Signed by:-	Title:-

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By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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