



**ARTICLE NO:**

**CORPORATE & ENVIRONMENTAL  
OVERVIEW & SCRUTINY**

**MEMBERS UPDATE 2018/19**

**Issue: 2**

---

**Article of: Director Housing & Inclusion**

**Contact for further information: A Grimes (Extn. 5409)  
(E-mail: [alison.grimes@westlancs.gov.uk](mailto:alison.grimes@westlancs.gov.uk))**

---

**SUBJECT: EXEMPTION FROM CONTRACT PROCEDURE RULES**

---

Wards affected: Borough wide

**1.0 PURPOSE OF ARTICLE**

1.1 To advise Members of a recent exemption from contract procedure rules.

---

**2.0 BACKGROUND**

2.1 The Council has in place robust rules and procedures, reflecting national and European regulations in relation to the procurement of goods and services.

2.2 However, there are certain occasions where, with appropriate reasons, officers can be approved to procure goods or services in a different way. In the absence of the Chief Executive, their nominee recently signed an exemption from the Contract Procedure Rules in relation to a contract for an options appraisal with Society of IT Management (SOCITM) on the 1 August 2018.

**3.0 CURRENT POSITION**

3.1 The exemption relates to Contract Procedure rule 7, where the estimated value or amount of a proposed contract will exceed £10,000 but will not exceed £50,000 the appropriate officer shall obtain not less than three written quotations. It was not considered that obtaining three quotations was appropriate since only one organisation was in a position to provide the required service.

3.2 This is not an issue that could be taken to Cabinet due to the timescales involved, however the Portfolio Holder was consulted. The next Cabinet meeting in September would have left insufficient time for the contract to be submitted to the supplier for their consideration and agreement and the work to be concluded within timescales that met both Corporate Management Team and Sustainable

Organisational Review Project (SORP) deadlines. SOCITM were able to meet the deadlines, but the review work needed to commence promptly.

- 3.3 SOCITM will review the Shared Services Agreement and provide an options appraisal for future delivery options. It is considered integral to the success and long term outcomes of SORP for West Lancashire Borough Council (WLBC) to have independently established the preferred model for ICT provision ahead of the SORP review taking place which this review will facilitate. The exemption included the potential award of further work to SOCITM associated with this commission following the initial review, providing the justification for exemption remained applicable and the contract terms similar.

#### **4.0 ISSUES**

- 4.1 SOCITM is the network and representative body for professionals delivering public services for the benefit of people and communities through the effective use of information and digital technology.
- 4.2 SOCITM provided advice to WLBC in the initial setting up of the Shared Services Agreement, and has subsequently been engaged by WLBC on a non-exclusive contract to provide ad hoc, independent expert technical advice, guidance and support to ensure WLBC receives a professional ICT service from BT Lancashire Services (BTLs) that provides value for money. This has been an important element in being able to retain and maintain the 'dumb client' contract management model in WLBC.
- 4.3 Due to this long-standing relationship and in-depth knowledge of the Council's ICT service and contractual arrangements with Lancashire County Council/BTLs, SOCITM is therefore uniquely placed to provide a comprehensive review of the Shared Services Agreement, particularly within timescales required. This is because of its detailed knowledge of the Shared Services Agreement and WLBC operations, which no other supplier would be able to match, without incurring considerable additional up-front effort, time and cost (and considerable Officer input to explain the existing ICT arrangements).
- 4.4 As there have been no negative issues during the existing agreement period, SOCITM expertise and knowledge of WLBC and the Shared Services Agreement will be utilised via a contract on the basis of Rule 4, Note 15 "*only one company makes the product which the Council wishes to purchase and no other product is a reasonable substitute*".

#### **5.0 SUSTAINABILITY IMPLICATIONS**

- 5.1 There are no significant sustainability impacts associated with this article and, in particular, no significant impact on crime and disorder.

#### **6.0 FINANCIAL AND RESOURCE IMPLICATIONS**

- 6.1 There are financial/ resource implications arising from this article, however these have been met from existing resources.

## **7.0 RISK ASSESSMENT**

7.1 This item is for information only and makes no recommendations. It therefore does not require a formal risk assessment and no changes have been made to risk registers as a result of this article.

---

### **Background Documents**

There are no background documents (as defined in Section 100D(5) of the Local Government Act 1972) to this Article.

### **Equality Impact Assessment**

This article is for information only and does not have any direct impact on members of the public, employees, elected members and/ or stakeholders. Therefore no Equality Impact Assessment is required.

### **Appendices**

None.