

## COUNCIL

23 JANUARY 2014

### CONTRACT LETTING – EXCEPTIONAL CIRCUMSTANCES LEADING TO EXEMPTIONS TO CONTRACT RULES

Portfolio Holder: Councillor Alan Jarrett, Deputy Leader and Finance  
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#### Summary

This report details contracts awarded in accordance with the provisions of the current Contract Procedure Rules 1.8.2, Exemptions to Contract Procedure Rules, to deal with the letting of contracts in exceptional circumstances where it is considered to be in the best interests of the Council to do so, provided that the exemption does not breach any EU or UK Directive, Statute or Regulation.

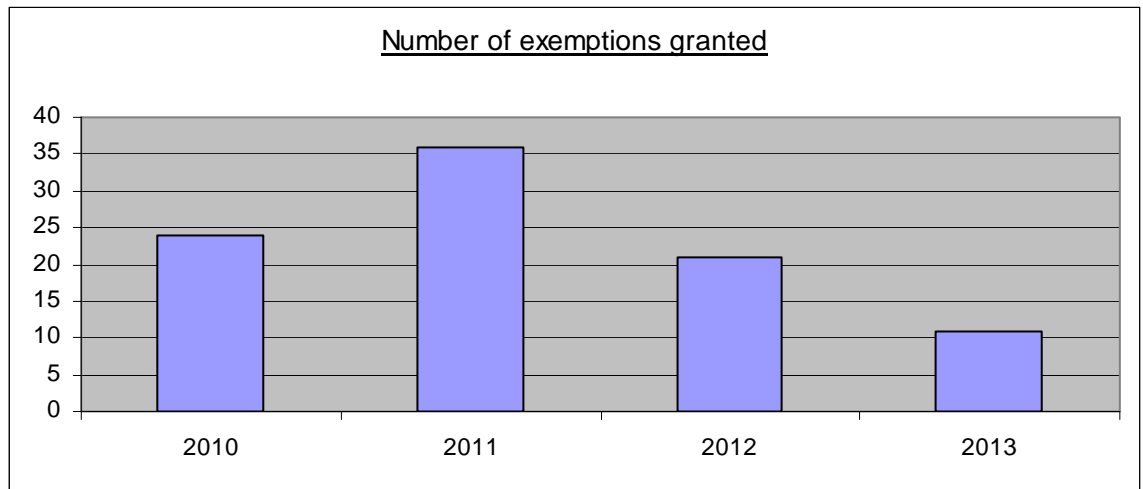
#### 1. Budget and Policy Framework

- 1.1 The constitution requires that the Monitoring Officer reports to Council the number of contracts recommended by Directors for award and approved by the Monitoring Officer under delegated powers and reliance on the exceptional circumstances permitted by Contract Procedure Rules 1.8.2.
- 1.2 Contract letting under exceptional circumstances is provided for within Medway Council's Contract Procedure Rules. This report is prepared in accordance with paragraph 1.8.2.3 of the Contract procedure rules.

#### 2. Background

- 2.1 In accordance with sections 1.8.2.1 and 1.8.2.2, individual provisions within the Contract Procedure Rules may be exempted in exceptional circumstances where it is considered to be in the interests of the council to do so, provided that the exemption does not breach any EU or UK Directive, Statute or Regulation.
- 2.2 The last annual report explained that as part of the shift to category management, the Monitoring Officer made a commitment to reduce the

number of exemptions granted and that this would be a performance indicator for the Category Management team.



The graph above demonstrates that a determined effort, supported by the Procurement Board, to control and reduce the number of exemptions to Contract Procedure Rules, has continued to prove successful after last years reduction. However, it should be noted that the nature of the Council's business means that there are always likely to be circumstances in which some exemptions are required.

- 2.3 The Monitoring Officer, further to requests from Medway Directors, has approved the following exemption requests since the matter was last reported to Council on 24 January 2013.

**Exemption 1** – Step down service from residential care for people with mental health problems

**Value:** £80,372

**Project Summary:**

- Pilot of a partnership arrangement with a residential care provider to provider a step down service for those living in residential care.

**Rationale:**

- Local Authorities have a legal duty to provide social care support to people with eligible care needs
- 1 year pilot that will then form part of a wider re-tendering exercise for support living and other housing related support services

**Directorate seeking Exemption Request:** Children and Adults

**Date Exemption Approved By The Monitoring Officer:** 10 December 2012

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**Exemption 2 – The Key and TEN Governor Support**

**Value:** £96,455 (Combination of two contracts)

**Project Summary:**

- To support improvement in schools by ensuring that school leaders and their governing bodies are well informed with timely, accurate and relevant information,

**Rationale:**

- This is a highly valued resource for leadership in schools, which is unique in its provision of bespoke support in responding to individual questions.

**Directorate seeking Exemption Request:** Children and Adults

**Date Exemption Approved By The Monitoring Officer:** 27 February 2013

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**Exemption 3 – Voluntary Sector Support, Volunteer Centres and Brokerage**

**Value:** £153,098 (combination of three contracts)

**Project Summary:**

- Various services that provide support to voluntary sector organisations; support to volunteers to identify opportunities; and provision of brokerage services for people with care needs.

**Rationale:**

- Extension of numerous contracts to allow for a strategic approach to recommissioning and procuring these services.

**Directorate seeking Exemption Request:** Children and Adults

**Date Exemption Approved By The Monitoring Officer:** 2 April 2013

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**Exemption 4 – A range of contracts for older people day care services for people from ethnic minorities or people with mental health needs**

**Value:** £194,668 (combination of three contracts)

**Project Summary:**

- A range of day care services are made available to older people with eligible or ineligible care needs who are part of the Black or Ethnic Minority communities and/or have organic mental health needs.

**Rationale:**

- Day care services can be considered an important part of preventative services as well as providing social care services as part of a statutory requirement for people with eligible care needs.

**Directorate seeking Exemption Request:** Children and Adults

**Date Exemption Approved By The Monitoring Officer:** 2 April 2013

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**Exemption 5 – Community meals**

**Value:** £163,200

**Project Summary:**

- Meals delivered to people's homes who have eligible care needs

**Rationale:**

- A detailed review of personalisation so that the extend of need/demand for the service through a contracting arrangement can be ascertained.

**Directorate seeking Exemption Request:** Children and Adults

**Date Exemption Approved By The Monitoring Officer:** 2 April 2013

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**Exemption 6 – Housing Benefit and Council Tax Benefit subsidy grant claim audit testing**

**Value:** £25,000

**Project Summary:**

- Audit of the council's £124 million claim for Housing Benefit and Council Tax Benefit subsidy.

**Rationale:**

- The council has a fiduciary duty to ensure that the claim is accurate.
- This is very specialist work that has a limited market.

**Directorate seeking Exemption Request:** Business Support

**Date Exemption Approved By The Monitoring Officer:** 31 May 2013

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**Exemption 7 – Software application for information management**

**Value:** £53,604

**Project Summary:**

- Information management system for Environmental Health, Trading Standards and Private Sector Housing.

**Rationale:**

- The extension of this contracting arrangement means that it will co-terminate with another management information system for the council. By having the contracts co-terminate, this will enable the council to take a category management approach to the requirements of all relevant departments across the council.

**Directorate seeking Exemption Request:** Regeneration, Community and Culture

**Date Exemption Approved By The Monitoring Officer:** 27 August 2013

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**Exemption 8 – Upgrade to the Innovation Centre’s data centre**

**Value:** £95,385

**Project Summary:**

- Information management system for Environmental Health, Trading Standards and Private Sector Housing.

**Rationale:**

- The extension of this contracting arrangement means that it will co-terminate with another management information system for the council. By having the contracts co-terminate, this will enable the council to take a category management approach to the requirements of all relevant departments across the council.

**Directorate seeking Exemption Request:** Regeneration, Community and Culture

**Date Exemption Approved By The Monitoring Officer:** 27 August 2013

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**Exemption 9 – Pilot scheme of carers’ support payments**

**Value:** £28,000

**Project Summary:**

- A pilot of payments for GPs in Medway to pay up to £400 for respite services, where they provide unpaid care for 20 hours or more per week, are registered with a Medway GP, are at risk of reaching crisis or breakdown point and have no other support.

**Rationale:**

- Provision of carers’ services is a statutory duty.

**Directorate seeking Exemption Request:** Children and Adults

**Date Exemption Approved By The Monitoring Officer:** 27 September 2013

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**Exemption 10 – Oil pollution Services**

**Value:** £2,700 for the annual retainer with additional costs for any call outs

**Project Summary:**

- Clean up services for oil pollution

**Rationale:**

- Medway will appoint the same provider as KCC and therefore create economies of scale in terms of any cross boundary pollution.
- The contract will co-terminate with the contract let by KCC.

**Directorate seeking Exemption Request:** Regeneration, Community and Culture

**Date Exemption Approved By The Monitoring Officer:** 14 November 2013

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**Exemption 11 – Fire safety doors**

**Value:** £200,000

**Project Summary:**

- Supply and installation of fire safety doors

**Rationale:**

- The manufacturer of the safety doors required for council housing stock also install this equipment
- Due to urgency, phase one has been awarded to the manufacturer but subsequent phases will be tendered

**Directorate seeking Exemption Request:** Regeneration, Community and Culture

**Date Exemption Approved By The Monitoring Officer:** 19 November 2013

### **3. Risk Management**

- 3.1 The risks relating to exemption requests are identified and communicated to the Monitoring Officer to make an informed decision.

3.2 The Monitoring Officer, in accordance with the contract rules, consults with Procurement Board members prior to approving requests for exemptions to the contract rules. As part of this review, risks are identified and managed and any exemptions, which do not conform to Contract Procedure Rules, are declined.

#### **4. Financial and legal implications**

4.1 The legal implications are set out in the report. The costs associated with the contracts were met from approved budgets.

#### **5. Recommendation**

5.1 To note the contents of the report.

#### **Lead officer contact**

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#### **Background papers**

None