

COUNCIL

24 JANUARY 2019

CONTRACT LETTING – EXCEPTIONAL CIRCUMSTANCES

Portfolio Holder: Councillor Adrian Gulvin, Resources
Report from: Perry Holmes, Monitoring Officer
Author: Michael Kelly, Head of Category Management

Summary

This report details contracts awarded in accordance with the provisions of the current Contract Procedure Rule 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, can be approved by the Monitoring Officer 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.

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 Monitoring Officer, further to requests from Directors, has approved the following exemption requests since the matter was last reported to Council on 25 January 2018.

3. Exemptions Granted

3.1 The Exemptions granted during 2018 were as follows:

Exemption 1 – Innovation Park Medway

Value: £15,000

Project Summary:

- Completion of additional traffic modelling.

Rationale:

- Medway Council had previously appointed a consultancy firm to undertake various elements of modelling. So due to the contractor's knowledge and previous experience of the traffic model and to prevent doubling up on the cost an exemption was granted.

Directorate seeking Exemption Request: RCET

Date Exemption Approved by the Monitoring Officer: November 2018

Exemption 2 – Innovation Park Medway

Value: £27,398

Project Summary:

- The project includes the installation of totem signs along Rochester Maidstone Road to create a gateway to the future Innovation Park Medway site which will form part of the LGF3 project.

Rationale:

- The signs needed to be passively safe due to the 60mph speed limit. Over 10 companies had been approached and only 1 confirmed compliance to requirements within the timescales required. The exemption was granted to proceed with the 1 company who could meet the necessary standard.

Directorate seeking Exemption Request: RCET

Date Exemption Approved by the Monitoring Officer: October 2018

Exemption 3 – Transformation Programme

Value: £33,800

Project Summary:

- Medway Council's Transformation Programme was not previously managed at the pace required to enable it to achieve the desired outcomes following its inception in 2016. It became critical that the programme had to be delivered rapidly, effectively and efficiently, to

ensure that the Transformation Programme's commitment to making annual savings was realised.

Rationale

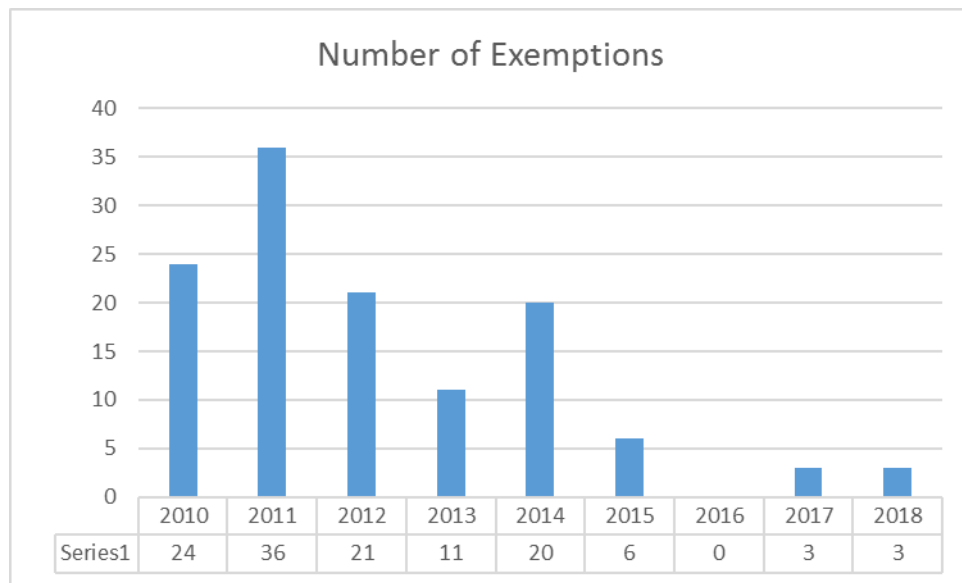
- Elements of soft market testing had been undertaken as had communications with other Local Authorities where quotes are typically much higher. The awarded supplier had a strong track record in delivering transformation programmes for Medway Council and other public and private sector organisations. By opting to use another supplier there would have also been 'familiarisation' costs.

Directorate seeking Exemption Request: RCET

Date Exemption Approved by the Monitoring Officer: March 2018

4. Analysis

- 4.1 A concerted effort has been made over recent years to reduce the number of exemptions to a minimum although it has been accepted that in an authority of this size some exemptions may be necessary.
- 4.2 In 2017 this report was not presented as the Council did not approve any exemption requests in the previous year.



5. Risk Management

- 5.1 The Category Management team review each exemption request and provide quality assurance before recommending approval to the Monitoring Officer. As part of this review, risks are identified and managed and any exemptions, which do not conform to Contract Procedure Rules, are declined. The risks of accepting/rejecting all exemptions are identified and communicated to the Monitoring Officer to make an informed decision.

6. Financial and legal implications

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

7. Recommendation

- 7.1 The Council is asked to note the contents of the report.

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Appendices

None

Background papers

None