



Audit and Accounts Committee
29 September 2015

Report of the Chief Executive

ITEM 5

Reporting of Waivers

SUMMARY

1.1 There are a total of 5 waivers within this report.

These cover the period 17 June 2015 to 04 September 2015

Broken down by directorate we have

Directorate	Number of Waivers	Classification	
		Unavoidable	Avoidable
Neighbourhoods	3	1	2
AHH	2		2
Total Number of Waivers	5	1	4

Of these waivers:

1 was unavoidable

2 were avoidable but there were considered reasons for the Waiver

2 were avoidable if measures such as better planning had taken place.

RECOMMENDATION

2.1 That the Chief Officer Group note the contents and approve the submission of the report to the Audit and Accounts Committee

REASONS FOR RECOMMENDATION

3.1 Approval is sought prior to submission to the Audit and Accounts Committee.

SUPPORTING INFORMATION

- 4.1 Appendix 2 lists those waivers that have been granted during the period 17 June 2015 to 04 September 2015

OTHER OPTIONS CONSIDERED

- 5.1 Not applicable.

This report has been approved by the following officers:

Legal officer Financial officer Human Resources officer Estates/Property officer Service Director(s) Other(s)	Emily Feenan Martyn Marples – Director of Finance and Procurement Richard Boneham – Head of Governance and Assurance
For more information contact: Background papers: List of appendices:	Name Linda Spiby 01332 64 3274 e-mail linda.spiby@derby.gov.uk None Appendix 1 – Implications

IMPLICATIONS

Financial and Value for Money

- 1.1 Each decision to waive competition requirements, where competition exists, has a financial impact which is taken into account when preparing the application for the waiver.

Legal

- 2.1 The report complies with the requirements of contract procedure rules to report waivers to the Audit and Accounts Committee.
- 2.2 Any waiver that increases the overall contract value or which is a direct award of a contract without competition, even where the value is below EU procurement thresholds, is contrary to the overarching principles of the Treaty for the Functioning of the European Union (i.e. transparency, equal treatment, proportionality, non-discrimination and mutual recognition) and therefore exposes to the Council to a risk (albeit this risk will in most cases be low) of a legal challenge. The grant of a waiver in accordance with the Council's Contract Procedure Rules does not remove this risk.

Personnel

- 3.1 None.

IT

- 4.1 None.

Equalities Impact

- 5.1 None.

Health and Safety

- 6.1 None.

Environmental Sustainability

- 7.1 None.

Property and Asset Management

- 8.1 None.

Risk Management

- 9.1 Any risks associated have been considered by the Head of Procurement and are being managed as part of the procurement process.

Corporate objectives and priorities for change

- 10.1 None.

Appendix 2

Type of waiver	Department/ Division seeking the waiver	Background/Description of the Contract	Value	Request submitted through the waiver	Additional comments and/or reasons the waiver is needed	Date of Approval
UNAVOIDABLE WAIVERS						
Urgent	Neighbourhoods	Temporary Building Control Staff (3 posts) are required to satisfy the Council's statutory duties. These staff are not available through the existing agency staff contract (Matrix)	£124,000	To contract with specialist agencies directly.	Service changes are taking place with Building Consultancy moving to a shared service with other Local Authorities, possibly as soon as 01 April 2016. It is therefore not appropriate to recruit.	03.09.2015
AVOIDABLE WAIVERS BUT WITH CONSIDERED REASONS						
Departmental	AHH	To purchase a social return on investment (SROI) evaluation, to measure extra-financial value (i.e., environmental and social value not reflected in conventional financial accounts). It will assess our Local Area Coordination (LAC), a model of support for vulnerable people focusing on identifying and supporting those who need help before they reach crisis, across 7 wards of Derby City to build inclusive, resilient, community capacity. This is required as part of the 'Think Local, Act Personal' project. An ability to compare and contrast results will add value to the local evaluation.	£9,060	To award directly to Kingfishers (Project Management) Ltd.	'Think Local, Act Personal' (TLAP) are fully funding the project. This company has completed this work for Thurrock Council. Using the same company will ensure our results can be easily compared and contrasted. Costs have been reduced by utilising their membership of Social Value UK to secure 10% of the cost.	14.08.2015
Urgent	Neighbourhoods	Following the closure of the Assembly Rooms, we have reduced the number of permanent technical staff. Temporary resources are now required on an ad hoc basis, to create a pool of registered freelance technicians/riggers to be called	Up to £30,000	To secure skilled services at short notice at the best rate available	The developing programme at the Arena has created the need to secure staff on an irregular and occasional basis. The costs will be factored into the business model for an event or re-charged.	02.09.2015

		upon where existing staff resources are not available. A compliant contract will be required in the long-term.				
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Type of waiver	Department/ Division seeking the waiver	Background/Description of the Contract	Value	Request submitted through the waiver	Additional comments and/or reasons the waiver is needed	Date of Approval
AVOIDABLE WAIVERS WITH BETTER PLANNING						
Departmental	Neighbourhoods	To commission an Environment Agency Staff member to continue to act as dedicated Our City Our River project management support until 31 October 2015.	£23,000	To direct award without competition	The person appointed has extensive knowledge of the project and is only working an average of 16 hours per week. An existing employee will take over the role following completion of the project he is currently working on. With better planning, internal resources could therefore have been identified and allocated earlier.	07.05.2015
Urgent	AHH	An additional 50 day support service pack for the implementation of the financial management and case management systems for social care.	£36,885	To commission directly from Oxford Computer Consultants	The implementation has been delayed from 13 July to 12 October 2015. The support days will start from 3 August to 12 October 2015. There is no value in conducting a procurement exercise for support that can only be delivered by the supplier of the system being implemented. The original process should have made allowances for possible extensions due to delay.	30.07.2015