

Sandwell Metropolitan Borough Council

**Exemption in accordance with Procurement and Contract
Procedure Rules**

Oracle E-Business Suite Support Services

1. **Summary Statement**

1.1. Exemption being sought

1.2. To continue to use Methods Advisory Ltd to support the Oracle E-business Suite Application for a one year period from 1 July 2019 to 30 June 2020 for a total cost of £111,780 plus VAT.

1.3. Summary

1.4. The current contract expires on the 30 June 2019 with the option of extending the contract for an additional one year period. Unfortunately, this additional year of extension was not included in the original report which was approved by cabinet (Key Decision Ref FR032). Therefore, permission is sought to make a direct award to Methods Advisory Ltd for continuation of service as originally tendered.

1.5. The Council is in a process of securing long term contract for the E-business support from 1 July 2020.

1.6. The Procurement Services Manager has been consulted and their advice is that in order to ensure compliancy with Procurement and Contract Procedure Rules an exemption will be required to ensure continuity of support for the remaining one year period.

1.7. Legal Services have been consulted and their advice is that in order to ensure compliancy with the Procurement and Contract Procedure Rules an exemption will be required.

1.8. In accordance with the Council's Procurement & Contract Procedure Rules (Rule 15) an Exemption from any rule for a contract between £50,000 and £250,000 must be approved by the relevant Chief Officer and Chief Finance Officer (S151) following endorsement by the Procurement Services Manager. An Exemption request can only be approved by the Chief Finance Officer (S151) where they are independent from the original decision-making process. Where the exemption applies to a service that is the responsibility of the Chief Finance Officer then the exemption must be approved by the Chief Executive in his or her place.

2 Recommendation

- 2.1 That a contract be awarded to Methods Advisory Ltd for a period of one year at a value of £111,780 to support the Council's Oracle E-business Suite Application.

I confirm that the action(s) recommended above comply with the Council's Procurement and Contract Procedure Rules (Rule 15):



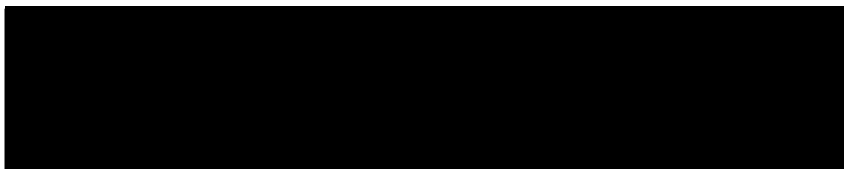
Andy Jukes

Procurement Business Partner

Date:

In accordance with the Council's Procurement and Contract Procedure Rules (Rule 15), I approve the action(s) recommended above:

I do/do not have an interest to declare in this matter



Darren Carter

Executive Director – Resources (S151 Officer)

Date: 28-6-19

In accordance with the Council's Procurement and Contract Procedure Rules (Rule 15), I approve the action(s) recommended above:

I do/do not have an interest to declare in this matter

Jan Britton
Chief Executive
Date:

Contact Officers

Rozina Hussein
Principal Accountant/Financial Systems Manager
0121 569 8173

Jay Bola
Principal Solicitor Major Projects
0121 569 3795

3 Procurement Implications

- 3.1 The original report approved by cabinet on 18 May 2016 (Key Decision Ref: FR032) was an earlier draft and did not contain a key reference allowing the agreement to be extended for a further one year beyond the initial period of 1st Jul 2016 to 30th June 2019. However, contract the award letter and formal contract documentation issued by Legal Services contained the extension period option. Methods Advisory Ltd's service delivery partner Inoapps are currently providing specialist software support to the Council's Oracle system.
- 3.2 In order to ensure compliancy with Procurement and Contract Procedure Rules an exemption is required in order to place an order with Methods Advisory Ltd for a remaining year to maintain service continuity.

4 Legal and Statutory Implications

- 4.1 Legal Services have been consulted and their advice is that in order to ensure compliancy with the Council's Procurement and Contract Procedure Rules an exemption will be required. The value is below EU Procurement threshold and so only the Council's Procurement and Contract Procedure Rules are relevant.

5 Background Details

- 5.1 The current contract expires on the 30 June 2019 with the option of extending the contract for an additional one year period until June 2020. Unfortunately, this additional year of extension was not included in the final draft version of the report approved by cabinet. All other contractual documentation issued by the Council to Methods Advisory Ltd contains provision for the extension.
- 5.2 The Council is in a process of securing long term contract for the E-business support from 1 July 2020.
- 5.3 The additional one year extension will be extended at the same cost of £111,780, which was agreed in 2016.
- 5.4 To ensure the smooth running of the Oracle software support is required from specialist staff to apply software updates and patches, along with support when any incidents or problems are encountered. Given that the specialist knowledge for this is not available within the council an external specialist company is required to support the system.

6 Alternative Options

- 6.1 As Methods Advisory Ltd are already providing specialist Oracle support through their delivery partner Inoapps it would not be possible to move this work to another contractor at this moment in time.

7 Source Documents

N/A