

Sandwell Metropolitan Borough Council

Exemption from Procurement and Contract Procedure Rules

Northgate Public Services Telephony Support

1. Summary Statement

1.1. This report is seeking an exemption from the Council's Procurement and Contract Procedure Rules to enable Revenues and Benefits to procure telephony support from Northgate Public Services for an 10-week period commencing 15th May 2017. Northgate Public Services will provide 4 customer advisors to deal with Council Tax, Benefits and Business Rates telephone enquiries.

1.2 The services are required due to: -

- Two newly recruited Customer Advisors taking maternity leave;
- One Customer Advisor leaving; and
- Three existing members of the team being long-term absent due to serious illness.

1.3 We will be recruiting two Modern Apprentices (MA) into the vacant post. This process has commenced and they will be in place shortly. They will undertake a 10-week Council Tax training course.

1.4 Northgate offers these services and has provided them previously, twice before when the service suffered a high number of vacancies within the team. We were very happy with the quality of their work.

1.5 Northgate are contracted to provide an ICT managed Service to Revenues and Benefits. This contract has recently been extended and will now run until 31st March 2022.

1.6 As Northgate have previously provided telephony support they are already conversant with our practices and procedures and

therefore the set-up time they would require is significantly lower than a new provider.

- 1.7 Revenues and Benefits' ICT network is provided and supported by Northgate and therefore they already have access to our systems. If we were to procure these services from a different supplier additional costs would be incurred and time would be lost to set up access to our core systems and for them to gain an understanding of our working practices/procedures.
- 1.8 Soft market testing has established that two other companies offer these services.
- 1.9 Northgate's services for providing 4 Customer Advisors over an eight-week period cost £32,500.
- 1.10 Taking all of the above into account and the need to procure these services in readiness for our busiest Council Tax/Business Rates recovery period (May/June), Revenues and Benefits are seeking an exemption from Procurement and Contract Procedure Rules to make a direct award to Northgate. MAs will be appointed and trained in time for them to start dealing with telephone enquiries at the end of the 10-week support period.
- 1.11 A contract was drawn up with Northgate Public Services to provide telephony support in September 2016. This contract was for an initial period of 10-weeks but gives the council the option to extend this provision at any point up to 9th October 2017.
- 1.12 Legal Services have been consulted. They have confirmed that the contract does provide for the council to call off additional services at the agreed rates. However, subject to the value of the additional services being below threshold for the purposes of the Public Contracts Regulations 2015, a further exemption to the council's Procurement and Contract Procedure is required.
- 1.13 The cost of the services procured previously was £39,000. The additional service outlined above would bring the total cost to £71,500.

1.14 The Procurement Services Manager has been consulted and their advice is that an exemption from the council's Procurement and Contract Procedure Rules is required for this work

1.15 In accordance with the Council's Procurement & Contract Procedure Rules (Rule 15) an Exemption from any rule must be endorsed by the Section 151 Officer where they are independent from the original decision making process, confirming that they are satisfied that the exemption is justified by special circumstances. Where the exemption applies to a service that is the responsibility of the Section 151 officer then the exemption must be approved by the Chief Executive.

Officers must ensure that the Exemption has been discussed and endorsed by their Chief Officer.

2. Recommendations

2.1 That the Revenues and Benefits Service calls off additional support for telephony support from Northgate Public Services for an 8-week period commencing on 15th May 2017.

2.2 That any necessary exemptions are made to the Council's Procurement and Contract Procedure Rules to enable the course of action referred to in 2.1 above to proceed.

Name of the Director who is responsible for the report:

Darren Carter
Executive Director - Resources (S151 Officer)

In accordance with the Council's Procurement and Contract Procedure Rules, I/We endorse the action(s) recommended above:

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

Signature

Darren Carter
Executive Director - Resources (S151 Officer)

Date: 11-4-2017

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

Signature:

Jan Britton
Chief Executive

Date: 12/4/17

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

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

Signature:

Cllr. Trow
Cabinet Member for Core Council Services

Date: 13 APRIL 2017

Contact Officers

Sue Knowles
ICT and Revenues and Benefits Service Manager
569 6211

Name of Procurement Officer:
Karen Boden
Procurement Strategy Officer

Name of Legal Officer where required:
Lee Kingham
Lee_kingham@sandwell.gov.uk

3. **Procurement Implications**

- 3.1 An exemption is required from Rule C7 of the council's Procurement and Contract Procedure Rules due to the direct award of this contract rather than seeking quotes through advertising.

4 **Background Details**

- 4.1 Revenues and Benefits contact centre handles enquires for Council Tax and Benefits.
- 4.2 Officers working on the team are generic – able to handle all Council Tax and Benefit calls.
- 4.3 When new staff join the team a training programme commences. Officers will be fully trained in one area first (Council Tax or Benefits) and then after approximately 12 months gaining experience in dealing with enquiries they will receive training on the other area.
- 4.4 Having a team of generic staff means we can manage resource according to demand. It is therefore essential that the staff who joined us last year, currently only trained in Benefits, complete their training. The training is scheduled to commence on the 10th October 2016.
- 4.5 In July 2016, two members of staff resigned. Recruitment has commenced and we are aiming to appoint into the positions from 10th October so that the training can be aligned.
- 4.6 The vacancies and training will create significant pressure on the contact centre and therefore temporary support is required in order to maintain suitable levels of service for our customers.

