



Portfolio Holder Report

The Portfolio Holder will make a decision on this item after seven days have elapsed (including the date of publication).

Report of:	Portfolio Holder	Date of Publication
Marianne Hesketh Service Director Performance and Innovation	Cllr Alan Vincent, Resources Portfolio Holder and Deputy Leader	28 June 2018

Flexi-time and Absence Management System

1. Purpose of Report

- 1.1 To seek approval to renew the contract for the flexi-time and absence management system with Crown Computing Ltd.

2. Outcomes

- 2.1 Continuation of an effective flexi-time and absence management system.

3. Recommendation/s

- 3.1 That the council renews the contract with Crown Computing Ltd through the G Cloud framework agreement for a two year period from July 2018.
- 3.2 That approval is given by the Resources Portfolio Holder to deal with the procurement under the exemptions to contract procedures, contained within the Financial Regulations and Financial Procedure Rules on the following grounds:
 - The goods, works or services constitute an extension of an existing contract, or are required urgently, or goods/materials, works or services consist of repairs to, or the supply of parts for, existing proprietary plant or equipment.

4. Background

- 4.1 The Crown flexi-time and absence management system was implemented in 2015 combining two systems used previously with the added benefit that it integrated with changes made at the time to the door access system.

- 4.2** The contract was on a G Cloud 5 framework agreement for a period of three years which ends July 2018 and was introduced to provide an integrated approach with CHRIS 21, the council's HR and Payroll system, enabling a single update and a much reduced level of central administration.
- 4.3** Crown is provided as a Host System which means that it is operated via a virtual server. As such it does not sit on our servers thereby saving on server space and there is very minimal involvement for our ICT staff as it is maintained by Crown Computing Ltd.

5. Key Issues and Proposals

- 5.1** Since the Crown system was implemented, costs, particularly those relating to hosted systems have increased significantly and we are now aware that we did get an extremely competitive rate for the system in 2015.
- 5.2** Although the costs have increased, based on benchmarking against other systems, it is not considered a favourable option to carry out a full procurement exercise at this time. We are satisfied that the increase brings the rate charged by Crown level with the market rate for a system of this type. If we were to move to a new system in July it would require staff and managers to be trained to use and administer it shortly after implementation. This would have an adverse impact on staff workload, particularly for managers, in the short-term. Of greater concern would be the impact on the council's ICT resource, which would be extensively involved, particularly if we were to move away from a hosted system. Based on current capacity, it is likely that additional ICT resource would need to be brought in, in order to provide the necessary level of support a change in system would require.
- 5.3** Despite the increase in the cost of the current system, a favourable rate has been negotiated compared to the full market rate for this type of hosted system.
- 5.4** It is therefore proposed to renew the contract with Crown for a two year period which would run from July 2018.
- 5.5** On renewal we will be transferred to the updated G Cloud 10 Framework which will involve two days of chargeable service by Crown. An upgrade to the latest software version is to be included in the price.
- 5.6** The cost of the G Cloud 10 Framework is £975 per month plus a charge of £1,750 for the two service days required to upgrade and move to the new server platform giving a total cost of £25,150 for the two year period.
- 5.7** A full procurement exercise will be carried out towards the end of the contract extension to determine the option with the best value for money from July 2020.

6. Delegated Functions

- 6.1** The matters referred to in this report are considered under the following Executive Function delegated to the Resources Portfolio Holder (as set out in Part 3.03 of the Council's Constitution): "To consider departures from the Rules relating to financial and contractual matters if appropriate".

FINANCIAL AND LEGAL IMPLICATIONS	
Finance	<p>The cost over the two year period will be £25,150. The current budget for the system is £4,770 in 2018/19, therefore, this represents an increased cost of £8,680 in year one, reducing to £6,930 in year two.</p> <p>It is proposed that the additional cost will be met from savings on the professional and technical training budgets.</p>
Legal	<p>The proposals ensure compliance with the Council's Financial and Contract Procedures. The current legal agreement will be amended to reflect the extension agreed and any other amendments required.</p>

OTHER RISKS/IMPLICATIONS: CHECKLIST

If there are significant implications arising from this report on any issues marked with a ✓ below, the report author will have consulted with the appropriate specialist officers on those implications and addressed them in the body of the report. There are no significant implications arising directly from this report, for those issues marked with a x.

Implications	✓ / x
Community Safety	x
Equality and Diversity	x
Sustainability	x
Health and Safety	x

Risks/Implications	✓ / x
Asset Management	x
Climate Change	x
Data Protection	x

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List of Background Papers:		
Name of Document	Date	Where available for inspection
None		