

DECISION-MAKER:	CABINET		
SUBJECT:	CONTRACT APPROVALS RELATED TO CAPITA TRANSFER		
DATE OF DECISION:	16 JULY 2019		
REPORT OF:	SERVICE DIRECTOR - DIGITAL AND BUSINESS OPERATIONS		
<u>CONTACT DETAILS</u>			
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STATEMENT OF CONFIDENTIALITY	
BRIEF SUMMARY	
This report seeks delegated authority if required to urgently approve any new contracts required for the smooth transfer of services from Capita to the City Council which need Cabinet approval due to the contract value.	
RECOMMENDATIONS:	
	(i) That the Service Director for Digital and Business Operations, or Service Director for Legal and Governance, are given delegated authority jointly and severally to approve, following consultation with the Cabinet Member for Resources, any new contracts required for the smooth transfer of services from Capita to the City Council which would ordinarily need Cabinet approval due to the contract value.
REASONS FOR REPORT RECOMMENDATIONS	
1.	It is possible that some new contracts that are required for smooth transfer of services may represent a value that requires Cabinet approval in accordance with the Financial Procedure Rules.
2.	The delegation is required to ensure that all such contracts are in place for 23 rd July 2019, when the transfer takes place, and/or immediately after transfer if unexpected gaps are discovered. The recommendation avoids the need to convene Cabinet at short notice and potentially repeatedly.
ALTERNATIVE OPTIONS CONSIDERED AND REJECTED	
3.	Not to approve new contracts before 23 rd July. This option is rejected because these contracts will be needed for the smooth operation of services following the transfer from Capita.
4.	To convene Cabinet as required in the days running up to 23 rd July. This option is rejected because it cannot be predicted when these decisions will be required and it is unlikely to be possible to convene Cabinet at short notice.
DETAIL (Including consultation carried out)	

5.	Cabinet will recall the decision by Full Council in July 2018 to terminate the Strategic Services Partnership contract with Capita Business Services Ltd. Since that time a project has been in place to achieve the smooth transfer of all services from Capita to the Council.
6.	Capita operate nearly 200 contracts on the Council's behalf, mostly relating to IT. A critical component of smooth transfer is to ensure that each of these contracts is either identified as not needed by the Council, transferred to the Council where this is legally possible ("novated") or replaced by a new contract where novation is not possible.
7.	At the time of writing almost all contracts have been successfully dealt with. 10-15 new contracts remain to be concluded due to either the complexity of the requirement or difficulties in clarifying the precise details. The team has full confidence that contracts will be in place by 23 rd July, but they will require a mechanism for formal approval.
8.	It is likely that most new contracts can be approved through existing delegated officer powers, but it may also be necessary or advantageous to conclude certain contracts with a value of over £500,000, which would normally require Cabinet approval. In the case of IT contracts it is likely to be not possible to operate the transferring services after 23 rd July without such contracts being in place as the Council would not legally hold a licence to do so.
9.	All contracts will be negotiated within existing budgets and will comply with Contract Procedure Rules, where necessary through the use of procurement exemptions, which can be granted through existing delegated officer powers.
10.	It is not anticipated that any of the contracts will breach the £2M threshold above which Full Council is required.

RESOURCE IMPLICATIONS

Capital/Revenue

10.	The contracts will be negotiated within existing budgets.
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Property/Other

11.	None.
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LEGAL IMPLICATIONS

Statutory power to undertake proposals in the report:

12.	The contracts will be awarded in accordance with the Council's Contract Procedure Rules, which conform with UK and EU procurement legislation.
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Other Legal Implications:

13.	None.
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RISK MANAGEMENT IMPLICATIONS

14.	Risks are managed by the relevant Project Board.
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POLICY FRAMEWORK IMPLICATIONS

15.	None.
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KEY DECISION?	No
WARDS/COMMUNITIES AFFECTED:	
<u>SUPPORTING DOCUMENTATION</u>	
Appendices	
1.	None.
2.	
Documents In Members' Rooms	
1.	None.
2.	
Equality Impact Assessment	
Do the implications/subject of the report require an Equality and Safety Impact Assessment (ESIA) to be carried out.	No
Data Protection Impact Assessment	
Do the implications/subject of the report require a Data Protection Impact Assessment (DPIA) to be carried out.	No
Other Background Documents	
Other Background documents available for inspection at:	
Title of Background Paper(s)	Relevant Paragraph of the Access to Information Procedure Rules / Schedule 12A allowing document to be Exempt/Confidential (if applicable)
1.	
2.	