

PLEASE NOTE VENUE

CONTRACT SCRUTINY PANEL AGENDA



Monday, 17 November 2008

at 10.00 am

in Committee Room B

MEMBERS: CONTRACT SCRUTINY PANEL:

Councillors Allison, Barker, Fleet, Griffin and Laffey

1. **APOLOGIES FOR ABSENCE**
2. **TO RECEIVE ANY DECLARATIONS OF INTEREST BY MEMBERS**
3. **MINUTES**
 - 3.1 To confirm the minutes of the meeting held on 3 November 2008
4. **ITEMS FOR INFORMATION**
 - 4.1 Goods & Services Joint Tender – Hartlepool Dockfest 09 & The Tall Ships' Races 2010 - *Assistant Director Community Services*
5. **ANY OTHER ITEMS WHICH THE CHAIRMAN CONSIDERS ARE URGENT**
6. **LOCAL GOVERNMENT (ACCESS TO INFORMATION) (VARIATION) ORDER 2006**

EXEMPT ITEMS

Under Section 100(A)(4) of the Local Government Act 1972, the press and public be excluded from the meeting for the following items of business on the grounds that it involves the likely disclosure of exempt information as defined in the paragraphs referred to below of Part 1 of Schedule 12A of the Local Government Act 1972, as amended by the Local Government (Access to Information) (Variation) Order 2006

PLEASE NOTE VENUE

7. **OPENING OF TENDERS**

- 7.1 Dalton Street Car Park (Contract Reference Number 87) – *Senior Projects Engineer*

8. **ITEM FOR INFORMATION**

- 8.1 Results Of The Passenger Transport Tender 2008 (Ref 312) - *Head of Technical Services*

9. **ANY OTHER CONFIDENTIAL ITEMS WHICH THE CHAIRMAN CONSIDERS ARE URGENT**

CONTRACT SCRUTINY PANEL

MINUTES AND DECISION RECORD

3 November 2008

The meeting commenced at 10.00 a.m. in the Civic Centre, Hartlepool

PRESENT: Councillor Pauline Laffey (In the Chair);
Councillors Steve Allison, Caroline Barker, Mary Fleet and
Sheila Griffin

OFFICERS: Alison Davies, Contracts Officer, Adult and Community Services
Sarah Bird, Democratic Services Officer

67. Apologies for Absence

None.

68. Declarations of Interest

None.

69. Minutes of the meeting held on 20 October 2008

These were confirmed as an accurate record.

70. Items for Information

Members were informed of the reasons for the non attendance of an officer from the Engineering (Environmental Issues) Department at the last meeting.

Members were reminded of the notice given at Council regarding the new make up of the Contract Scrutiny Committee from 1 December 2008. It was suggested by the Chair that a report on the results of the passenger transport tender be brought to the next meeting of the panel for continuity purposes.

71. Local Government Access to Information

Under Section 100 (A)(4) of the Local Government Act 1972, the press and public were excluded from the meeting for the following item of business on the grounds that it involved the likely disclosure of exempt information as defined in paragraph 3 of Part 1 of the Schedule 12A of the Local Government Act 1972 as amended by the Local Government (Access to Information)(Variation) order 2006.

Minute 72 – Provision of Advocacy Support Worker (Contract Reference 316) (para 3 information relating to the financial or business affairs of any particular person (including the Authority holding that information))

72. Provision of Advocacy Support Worker (Contract Reference Number 316) – *Contracts Officer, Adult and Community Services*

Two tenders had been received which were opened in the presence of the Panel.

Decision

The Panel noted the receipt of the tenders.

The meeting concluded at 10.15 am

PAULINE LAFFEY
CHAIR

<p style="text-align: center;">CONTRACT SCRUTINY PANEL</p> <p style="text-align: center;">17 November 2008</p>
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Report of: Chief Personnel Officer and Chief Financial Officer

Subject: Results of the Evaluation of Pre Qualification
Questionnaire responses for a contract for an
Integrated HR / Payroll System and Support Services

1. PURPOSE OF REPORT

- 1.1. To inform members of the panel of the outcome of the evaluation of those responses received from potential service providers for the delivery of an integrated HR / Payroll System and Support Services.

2. BACKGROUND

- 2.1. In August 2008, Cabinet approved the business case for introducing an integrated HR / Payroll system. The report to cabinet highlighted a number of weaknesses in the current arrangements.
- 2.2. Prolog the council's payroll system (which the Council has operated since 1994) has a number of operational problems and is becoming progressively unfit for purpose:
- Prolog does not integrate with the various HR databases the Council uses, resulting in the inefficient duplicate "keying in" of information
 - Prolog (unlike more modern software products) has limited functionality which results in inefficient practices eg. pay calculations for term time staff must be performed manually by HR staff, employee termination annual leave pay adjustments must be calculated manually.
 - Prolog no longer has a public sector customer base or User Group
 - Prolog suffers from restricted system support and development
 - A number of Hartlepool "work arounds" have had to be implemented to counter the lack of development of Prolog.

- 2.3. The Council's HR systems comprise a variety of paper based records and a number of internally developed Microsoft Access databases eg. Payroll Starters / Leavers / Changes database; Sickness Absence Database; Recruitment Monitoring Database; Criminal Records Bureau Database; Training Database, Disciplines/ Attendance Management / Grievances Database) with disparate departmentally based HR systems.
- 2.4. The cabinet report highlighted that the current HR arrangements are labour intensive to operate and exhibit a number of inefficiencies with some common data being stored / maintained in a number of separate databases. Also the current arrangements do not facilitate the availability of accurate and comprehensive management information as required for statutory returns, the calculation of Performance Indicators or for Strategic Human Resource planning purposes.
- 2.5. Cabinet accepted that significant improvements in service delivery and efficiencies are achievable from introducing a single database for all employee related administration, i.e. an integrated Payroll and HR system. Accurate and timely access to comprehensive employee data gives the authority the ability to monitor workforce trends and plan for effective use of employee resources. In summary the principal benefits are:
- All HR and Payroll data will be held on one system instead of various databases, spreadsheet and manual records
 - Streamlined processes
 - Elimination of duplicate inputting of data
 - Removal of paper based HR processes
 - Reduction in costs of paper, photocopying and fax distribution of information, especially timesheets
 - Reduced storage and archive costs
 - Potential for "selfservice elements"
 - Improved Management Information and in "real time"
 - Reduction in error volumes and time-delays
 - System validation, storage and distribution of information

3. PROCUREMENT

- 3.1. Cabinet approved on 4th August 2008, the procurement of a new integrated HR / Payroll system and support services via an OJEU tendering route: Accordingly, the contract was advertised via OJEU on 2nd September 2008 and a restricted tender route is being followed which provides for the following timetable:

Contract Notice	Advertised 2nd September 2008
Deadline for return of Pre Qualification Questionnaires	12 noon 9 TH October 2008
Determine and Issue Invitation to Tender (ITT) to shortlist	17 th October 2008
Deadline for return of ITT	12 noon, 26 th November 2008
Site visits to Reference Sites and formal bidder presentations	Between 4 th December and 17 th December 2008
Preferred Bidder, unsuccessful bidders notified	24 th December 2008.
Contract Signed	31 st January 2009

3.2. The Council received 11 completed Pre Qualification Questionnaires from potential providers, which have been evaluated against the criteria outlined in Appendix C of the PQQ:

FACTOR (and related PQQ Sections)	WEIGHT
Acceptability – status of service provider in relation to Regulation 23 of the Public Contracts Regulations 2006. (Regulation 23 is appended to this document) (responses to PQQ Part 2).	Pass/Fail
Financial Information and Insurance (responses to PQQ Part 3)	20
Capacity / Capability / Technical Solution – Assessment of the totality of resources, core competences available to the service provider and the robustness of the proposed infrastructure / technical arrangements. QA certification held or applied for (responses to PQQ Part 4)	25
Experience / Ability to add value in line with Hartlepool BC's intended approach- including contract completion history, shared services support and accelerated effective implementation of modules to deliver organisational efficiencies.(responses to PQQ Part 5)	45
Equality and Diversity (response to PQQ Part 6)	10

TOTAL SCORE	100%
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- 3.3. Following the conclusion of the evaluation of the Pre-Qualification Questionnaires, five perspective service providers were issued with the invitation to tender documents on 17th October 2008.

4 RECOMMENDATION

- 4.1. That members of the panel note the conclusion of the process of evaluation of those Pre Qualification Questionnaires.

5. CONTACT OFFICER:

John Morton: ACFO Financial Services Lead Procurement Officer