

COUNCIL FUNCTIONS COMMITTEE

11 June 2020

Present: Councillor D Walford (Chair)
Councillor J Johnson (Vice-Chair)
Councillors A Dychton, M Mills, M Parker, N Shah and M Watkin

Officers: Group Head of Human Resources
Democratic Services Officer (AG)

The Chair welcomed everyone to the virtual Council Functions meeting. He introduced the councillors and officers present and advised members that they would be asked how they wished to vote at the end of the agenda item. Advice was also given about the internet live stream procedure.

1 **Apologies for absence/committee membership**

The Chair welcomed everyone to the virtual Council Functions meeting. He introduced the councillors and officers present and advised members that they would be asked how they wished to vote at the end of the agenda item. Advice was also given about the internet live stream procedure.

There were no apologies for absence.

2 **Disclosure of interests (if any)**

Councillor Watkin advised that, as portfolio holder for HR, he had been in discussion with the Group Head of Service about the procurement and had been provided with an update. However, he had taken no part in the decision making process.

3 **Minutes**

The minutes of the meeting held on 26 February 2020 were agreed. These would be signed once members and officers had returned to the Town Hall.

4 **Payroll and HR system Procurement - Award**

The committee received a report of the Group Head of Human Resources about the awarding of the Payroll and HR System contract.

The Group Head of Human Resources introduced the report. He explained that the contract with the current provider, Zellis, ended on 23 March 2021, and there had been a need to ensure that adequate time had been provided for a procurement process to be undertaken. He explained that, initially, three bids had been received for the new contract and advised how these had been reduced to two; the companies Zellis and Midland HR (MHR).

An evaluation process of the two bids had been undertaken over a number of weeks with the bid from MHR found to be most suitable in terms of cost and quality. As a result, it was recommended that the contract be awarded to MHR; with the transfer to the new payroll provider and usage of the iTrent HR system in March 2021.

The Group Head of Human Resources went on to discuss a proposed implementation phase that would commence on 1 July 2020. The implementation programme would include three parallel pay runs to ensure that data was accurate; and which would be the subject of extensive checks. The first live pay run by MHR would take place in April 2021. However, if there were problems identified with the new systems, there was the option to continue with Zellis; and with an additional charge in these circumstances.

The Group Head of Human Resources concluded his summary of the report and there followed a discussion with regard to the contrast between the Zellis and MHR companies and also in relation to the operation of the Northgate Group; of which Zellis was part.

In response to questions from members, the Group Head of Human Resources:

- Outlined the requirements of the procurement evaluation process, explained how this had been conducted and the reasons the iTrent HR system was considered more suitable than that provided by Zellis. He emphasised that Zellis had nevertheless provided a good service to the council.
- Confirmed that any additional payments to MHR required during the implementation phase had been included in the whole life costs of the new contract. Furthermore, Zellis had a duty to support the transfer of data to MHR during this period and the council had set aside funds to cover the associated costs. The specific charges were not known to Zellis at this time and the existing contract did not specify exit costs. However, these matters did not form part of the procurement process. He provided reassurance that the overall cost with MHR was the lower bid and would be within budget going forward.

Members and the Group Head of Human Resources concluded by discussing the relative merits of MHR and how a satisfactory long term relationship might be developed.

RESOLVED –

- that the council awards the payroll and HR system contract to MHR.

It is noted that during the meeting there was a short adjournment when the live streaming went gone off-line; and with the meeting being resumed when the streaming was reconnected.

Chair
Council Functions Committee

The Meeting started at 6.30 p.m.
and finished at 6.50 p.m.