

East Lindsey District Council – Audit & Governance – 27th March 2024 – Exemptions Register

This document precedes the Exemptions Register from September 2023 – February 2024. In this 6-month period, there have been 15 exemptions signed off. Whilst this is higher than the previous 6-month period, where there were 6 exemptions, this is largely due to the National Portfolio Organisation (NPO) funded projects that are mainly bespoke creative/artistic commissions which cannot be procured competitively.

ELDC have been successful in receiving National Portfolio Organisation status from Arts Council England (ACE), having received c£2,000,000 over a 3-year period from 2023-2026. The funding that ELDC have received is on behalf of Boston Borough Council and South Holland District Council too, with ELDC facilitating the spend of the grant-funded money.

Please see below brief details on each of the exemptions:

Job Evaluation Scheme for the Partnership Councils to recognise shared roles with Pilat (£24,245) – this work can only be undertaken by Pilat, the company that owns the job evaluation system the Council uses. ELDC are commissioning Authority and this is then being internally split based on the MOA proportions (46% ELDC, 31% SHDC, and 23% BBC).

Tourism Services with Destination Lincolnshire (£52,000) – Destination Lincolnshire is the only organisation that represents the tourism and visitor economy sector in Lincolnshire in an active, promotional way.

Supply of a System to manage Housing & Homelessness Needs with MRi (£167,962) – ELDC and BBC currently have a contract in place with MRi. SHDC had previously used MRi but had moved to Northgate, which is not deemed fit-for-purpose. A proposal with MRi was made to mutually terminate the current contract and set up a 'cleaner' and 'clearer' contract between ELDC and MRi, that is on behalf of BBC and SHDC.

A framework route was reviewed (G Cloud) but this was a more expensive option so direct contracting is the best option. Benchmarking was undertaken, as well as the consideration that changing a system of this scale would be a large amount of resource to implement a new system, which was not a possibility within these timescales. The supplier also agreed to write-off approx. £40,000 of invoices that BBC have not paid, through the fault of the supplier.

ELDC split is £35,493 per annum. SHDC and BBC costs will be recharged by ELDC to the respective Council.

Installation of Guest Wi-Fi at The Hub with Digicube (£5,666.04) – Digicube have been utilised previously and are a local, trusted supplier. As this commission was marginally over the £5,000 threshold and they have proven value for money on previous quotations, as well as having undertaken similar solutions previously.

Boston Tea Party with Transported (£30,000) – National Portfolio Organisation (NPO) funding via Arts Council England (ACE). The work has been designed by Transported and will be delivered by them. It is not possible to undertake market testing on artistic commissions as they are all bespoke. ELDC are the lead authority for the NPO and the total value of £2m funding will be spent roughly equally between the SELCP authorities. There is also pressure from ACE to see spend on the programme and have worked to identify 'pilot' projects. This one is based on extending an existing project.

Purchase of a Personal Vibration and Proximity Warning system with Reactec (£13,756.10) –

Current equipment was coming to end of life. Market testing was undertaken and Reactec were found to be the only company that have the ability to monitor sensed vibration so the Council can review tool status in terms of wear and tear etc. This cost is for a 3-year lease of the equipment, which extends the warranty and provides the Council with a contract end date that can be reviewed easier, without having the rush of needing to replace end of life equipment urgently. The costing also included buy-back for the old equipment which other suppliers could not offer.

Interim Delivery Consultant to Deliver LUF Projects with Heritage Lincolnshire (£134,483) –

This was to enable the continuation of Alford Manor House, Alford Windmill and Spilsby Sessions House LUF Projects. This high-figure exemption was covered to ensure it could cover a full scope of works until 31/03/2025. Now an internal project manager has been employed, we are reviewing elements that can be broken down within the project to gauge better value for money, whilst also ensuring the project continues to ensure they can be completed by 31/03/2026.

Sutton Stories project with Sessions Arts (£29,900) – NPO Funding as per Boston Tea Party rationale.

“Civas Potentia” activity with Transported (£30,000) – NPO Funding as per above.

Boston Brilliance light and projection festival with The Projection Studio (£100,000) – NPO Funding as per above.

Bespoke programme and training opportunities with National Arts Fundraising School (£35,000) – NPO Funding as per above.

Cultural Strategy extension to include SHDC, as BBC and ELDC already completed with Tom Fleming Creative Consultancy (£17,000) – NPO funding as per above, as well as continuation with an existing provider, originally commissioned by Magna Vitae.

Cultural Audit with Tom Fleming Creative Consultancy (£48,000) – NPO Funding. Whilst it was noted that it is hard to prove value for money on this commission, I was comfortable to approve regarding the tight timeframe to spend the NPO-funding, and the utilisation of a known provider who can utilise elements of their previous work instead of starting from scratch makes sense.

Levelling-Up Fund Project (Alford Windmill) – Appointment of Architect to RIBA Stage 3 with STEM Architects (£35,000)– There has been significant delays on this project. Working with the new internal Project Manager, we have agreed to commission the current architects up to RIBA Stage 3 to ensure project continuity whilst agreeing a procurement plan moving forwards to ensure we can prove value for money on this project.

Levelling-Up Fund Project (Spilsby Sessions House) – Appointment of Structural Engineer Consultancy Services to RIBA Stage 2 with CAR Ltd (£13,500) – same rationale as Alford Windmill project above. Continuity of project.

We are now exploring different processes regarding NPO-funding and whether there is an exemption requirement for these bespoke activities, or whether they can be deemed as non-influenceable spend (e.g., in a similar manner to how publicly owned cinemas purchase films from providers, or chosen theatre productions etc.)