

LONDON BOROUGH OF CROYDON

To: all Members of the Council (via e-mail)
Access Croydon, Town Hall Reception

PUBLIC NOTICE OF KEY DECISIONS MADE BY THE CABINET MEMBER FOR FINANCE AND RESOURCES ON 30 NOVEMBER 2018

In accordance with the Scrutiny and Overview Procedure Rules, the following decisions may be implemented from **1300 hours on 10 December 2018** unless referred to the Scrutiny and Overview Committee:

The following apply to each decision listed below

Reasons for these decisions: are contained in the Part A report attached

Other options considered and rejected: are contained in the Part A report attached

Details of conflicts of Interest declared by the Cabinet Member: none

The Leader of the Council has delegated to the Cabinet Member the power to make the decisions set out below:

CABINET MEMBER'S KEY EXECUTIVE DECISION REFERENCE NO.: 3318FR

Decision Title: Good to Great Programme – Provision of ICT End User Services

Having carefully read and considered the Part A report, the associated confidential part B report, and the requirements of the Council's public sector equality duty in relation to the issues detailed in the body of the reports, the Cabinet Member for Finance and Resources in consultation with the Leader of the Council

RESOLVED:

1. To approve the award of a contract for the Provision of ICT End User Services to the supplier named in the Part B report on this agenda for a contract term of 3 years with one option of a further 12 months for a maximum contract value as stated in the Part B report.
2. To note that the name of the successful supplier and price will be released once the contract award is approved.

Scrutiny Referral/Call-in Procedure

1. The decisions may be implemented **1300 hours on 10 December 2018** (5 working days after the decisions were made) unless referred to the Scrutiny and Overview Committee.
2. The Council Solicitor shall refer the matter to the Scrutiny and Overview Committee if so requested by:-
 - i) the Chair or Deputy Chair of the Scrutiny and Overview Committee and 4 members of that Committee; or
 - ii) 20% of Council Members (14)
3. The referral shall be made on the approved pro-forma (*attached*) which should be submitted electronically or on paper to Victoria Lower by the deadline stated in this notice. Verification of signatures may be by individual e-mail, fax or by post. A decision may only be subject to the referral process once.
4. The Call-In referral shall be completed giving:
 - i) The grounds for the referral
 - ii) The outcome desired
 - iii) Information required to assist the Scrutiny and Overview Committee to consider the referral
 - iv) The date and the signatures of the Councillors requesting the Call-In
5. The decision taker and the relevant Chief Officer(s) shall be notified of the referral who shall suspend implementation of the decision.
6. The referral shall be considered at the next scheduled meeting of the Scrutiny & Overview Committee unless, in view of the Council Solicitor, this would cause undue delay. In such cases the Council Solicitor will consult with the decision taker and the Chair of Scrutiny and Overview to agree a date for an additional meeting. The Scrutiny & Overview Committee may only decide to consider a maximum of 3 referrals at any one meeting.
7. At the Scrutiny & Overview Committee meeting the referral will be considered by the Committee which shall determine how much time the Committee will give to the call in and how the item will be dealt with including whether or not it wishes to review the decision. If having considered the decision there are still concerns about the decision then the Committee may refer it back to the decision taker for reconsideration, setting out in writing the nature of the concerns.
8. The Scrutiny and Overview Committee may refer the decision to Full Council if it considers that the decision is outside of the budget and policy framework of the Council.
9. If the Scrutiny and Overview Committee decides that no further action is necessary then the decision may be implemented.

10. The Full Council may decide to take no further action in which case the decision may be implemented.
11. If the Council objects to the decision it can nullify the decision if it is outside of the policy framework and/or inconsistent with the budget.
12. If the decision is within the policy framework and consistent with the budget, the Council will refer any decision to which it objects together with its views on the decision. The decision taker shall choose whether to either amend / withdraw or implement the original decision within 10 working days or at the next meeting of the Cabinet of the referral from the Council.
13. The response shall be notified to all Members of the Scrutiny and Overview Committee
14. If either the Council or the Scrutiny and Overview Committee fails to meet in accordance with the Council calendar or in accordance with paragraph 6 above, then the decision may be implemented on the next working day after the meeting was scheduled or arranged to take place.
15. URGENCY: The referral procedure shall not apply in respect of urgent decisions. A decision will be urgent if any delay likely to be caused by the referral process would seriously prejudice the Council's or the public's interests. The record of the decision and the notice by which it is made public shall state if the decision is urgent and therefore not subject to the referral process.

Signed: Director of Law and Governance.

Date: 30 November 2018

Contact Officers: victoria.lower@croydon.gov.uk

PROFORMA

**REFERRAL OF A KEY DECISION TO THE
SCRUTINY AND OVERVIEW COMMITTEE**

For the attention of: Victoria Lower, Democratic Services & Scrutiny
e-mail to
Victoria.lower@croydon.gov.uk

Meeting:
Meeting Date:
Agenda Item No:

Reasons for referral:

- i) The decision is outside of the Policy Framework
- ii) The decision is inconsistent with the budget
- iii) The decision is inconsistent with another Council Policy
- iv) Other: Please specify:

The outcome desired:

**Information required to assist the Scrutiny and Overview Committee to consider
the referral:**

Signed:

Date:

Member of _____ Committee

REPORT TO:	Cabinet Member for Finance & Resources
SUBJECT:	Good to Great Programme – Provision of ICT End User Services
LEAD OFFICER:	Richard Simpson, Executive Director of Resources Mark Davies, Interim Head of ICT
CABINET MEMBER:	Simon Hall, Cabinet Member for Finance & Resources
WARDS:	All
<p>CORPORATE PRIORITY/POLICY CONTEXT/ AMBITIOUS FOR CROYDON</p> <p>Fit for purpose ICT services, which are aligned to the organisation and Borough needs are critical to support and enable key services. Technology continues to develop at pace and provides significant opportunities to assist the council, its partners and the community.</p> <p>The ICT strategy looks to ensure that the right technology is provided to all Council services. It looks to ensure we have flexible and efficient services which can evolve to meet local challenges and maximise the opportunity for innovation, utilising the right mixture of local skills and major providers.</p> <p>The proposed contract award supports the Councils Corporate priorities to :</p> <ul style="list-style-type: none"> • Provide value for money to its residents, through the redesign and recommissioning of ICT services. • Provide high quality information, advice and guidance to support people living healthier lives and improve overall wellbeing. <p>The deliverables from the contract will better meet future Council business needs and facilitate efficiencies with the application of information technology as an enabler under the Corporate Plan supporting Ambitious for Croydon.</p>	
<p>FINANCIAL IMPACT</p> <p>There will be a cost to the Council for the provision of this service over the contract period of three years with a one year extension option. The detailed impact is defined in Part B.</p>	
<p>FORWARD PLAN KEY DECISION REFERENCE NO.: 3318FR This is a Key Decision as defined in the Council’s Constitution. The decision may be implemented from 1300 hours on the expiry of 5 working days after it is made, unless the decision is referred to the Scrutiny & Overview Committee by the requisite number of Councillors.</p>	

The Leader of the Council has delegated to the Cabinet Member for Finance & Resources the power to make the decisions set out in the recommendations below

1. RECOMMENDATIONS

3. The Cabinet Member for Finance & Resources, in consultation with the Leader of the Council, is recommended by the Contracts and Commissioning Board to approve the award of a contract for the Provision of ICT End User Services to the supplier named in the Part B report on this agenda for a contract term of 3 years with one option of a further 12 months for a maximum contract value as stated in the Part B report.
4. The Cabinet Member for Finance & Resources is asked to note that the name of the successful supplier and price will be released once the contract award is approved.

2. EXECUTIVE SUMMARY

- 2.1 This report seeks approval of the award of contract for the Provision of ICT End User Services as part of the Good to Great Programme. This approval includes all work required by the Council to finalise and enter into the contract with the approved Bidder and all ancillary documentation and activities.
- 2.2 The strategy for the programme was approved by the Contracts and Commissioning Board (CCB) on 10 November 2017 reference CCB1288/17-18 and updated by on 5 July 2018. Pursuant to Cabinet recommendation [15/10/18] the Leader has delegated the decision to approve the award of the contract to the Cabinet Member for Finance & Resources in consultation with the Leader [ref. 3618LR.]
- 2.3 The contract term is for a period of three years with an option to extend for a further 12 months.
- 2.1 The contents of this report have been endorsed by the Contracts and Commissioning Board on 15/11/18 ref. CCB1423/18-19.

3. Background

- 3.1 The Council's ICT services are outsourced to Capita ITES Limited under a single long term contract. The Good to Great Programme is moving the Council from utilising such long term monolithic ICT contracts to a dis-aggregated model enabling a number of smaller more agile contracts with shorter contract lengths.

A total of eight service towers cover the full range of ICT activities with a reorganisation of the in house ICT team to manage the various service towers and resulting contracts.

- Provision of ICT End User Services;
- Application Management and Support;
- Managed Print;
- Networks;
- Telephony;
- Hosting;
- Hardware and Software.
- Service Management Tool

3.2 End User Services include the provision of a service desk activity, end user support and deskside engineering services. This will be the first point of contact for Council staff for all ICT incidents, outages and advice and will utilise the Council owned Service Desk tool (ITSM tool) which is being procured separately. In addition, the End User Services supplier will be responsible for all IT equipment used by Council staff.

3.3 Delivering Information and Communication Technology (ICT) in local government is critical as it underpins the running of the majority of services the council provides. ICT also has a key enabler role underpinning digital delivery to add value to service provision and customer experience.

The Council awarded a contract to deliver ICT services to Capita in 2013 November following a procurement process conducted under the Competitive Dialogue procedure, in accordance with the Public Contract Regulations 2006. The Service commenced in May 2014 and consisted of a 9 year agreement with Capita to deliver ICT services and, a 8 year contract with SunGard for Data Centre services. Capita support the Council infrastructure hosted in the SunGard data centre.

3.4 **Capita Service and Performance issues**

Performance issues in relation to meeting/failing to meet SLA and KPIs has been mixed throughout the term of the Capita contract. As a result, Capita attract maximum service credits on the core KPIs every month. In addition, the following issues have arisen:

- There are too many applications outages for key line of business applications.
- Monthly end user satisfaction with the Capita service desk was rated at 65.8% against a target of 90% in July 17
- The ICT service desk telephone answering time within 20 Seconds and 60 seconds over the last 12 months was 66.35% and 76.54% respectively, against targets of 80% and 100%.

- Individual resolution times are too slow (within 8 hours, over the previous quarter it is 92.62% against a target of 100%)

3.5 Business issues are:

The speed and cost of change do not meet service expectations. Every project/change requires a CCN and a Capita project manager, and commercial agreements slow down delivering change.

Capita services are not future focused i.e. lack of expertise in the cloud environment, out of date service desk.

Capita do not deliver many items in the contract, and proactive changes/checks to Croydon's ICT infrastructure meaning high volumes of high impact outages and a reactive service.

Over the past few years Croydon has worked in partnership to improve core ICT services by investing in a Service Improvement Plan (SIP) with Capita and by attempting to amend the Service Level Agreements and Service Credit regime. However, despite such efforts, none of these initiatives have been totally successful.

With a break clause due in May 2019, the Council will continue to work with Capita to deliver the following improvements over the coming months while we proceed with recommissioning services. These workstreams align to the wider future sourcing strategy:

- Moving the corporate document store (SharePoint) from on-premise to a cloud-based model (SharePoint Online) so that corporate documents can be accessed by staff via the internet and can also be securely shared with third parties to improve collaborative working.
- Greater use of Bring Your Own Device to provide more flexible access to business systems and to make savings by reducing the provision of laptops to interim staff and the use of Corporate smart phones.
- Ensuring the workforce is mobile wherever possible, with 250 social workers having flexible laptops that work anywhere.
- Joining up our data across the council to ensure there is a single view of our residents and households.
- Improvement to the guest and Town Hall wifi.
- Implementation of biometric authentication to improve the user logon process.
- Improving the ICT service desk with an on-line portal to improve performance and customer satisfaction.
- A review of our core systems in the People department (social care, housing and education) and across streets and safety services.

3.6 The technology roadmap for the longer term will continue to deliver improvements to agile and flexible working as well as improving resilience and reducing cost. The key areas for investment are:

- Moving services from on-premise infrastructure to a cloud-based model. This will be achieved in part through the use of new business systems and partly through migrating existing systems.
- Unified communications to enable full telephony services via Skype for Business.
- Rationalisation of systems and applications to reduce cost and utilise core systems such as the CRM.
- Ongoing software upgrades to provide new features, for example, to Office 2016.
- Refresh of end user devices and move to more widespread use of BYOD.
- Investment in network infrastructure to manage increasing volumes of internet traffic.
- Investment in Data & Analytics to enable staff to provide insight and more accurate decision making.
- Investment in systems to provide improved security and management
- Key strategic systems reviews – such as “People” and “Place” to ensure better alignment and utilisation of key back office systems

3.7 A future ICT Roadmap, and a target services and support model has been developed. Sourcing options have been appraised and a commercial strategy proposed.

3.8 Good to Great Programme Objectives

- Deliver flexible and cost effective multi-sourcing model that enables provision of exemplar services across business as usual and change; and aligned to our vision and values.
- Deliver an ICT organisation with clear roles and responsibilities to regain control of services end to end in order to be accountable for technology services that improves user outcomes and productivity.
- Define ways of working to collaborate and leverage local suppliers enabling innovation to support future opportunities around Digital, Smart Cities and Internet of Things.

- Select and award key suppliers to deliver a new multi-source model to be in place before existing single contracted services come to an end.
- Carry out exit management of existing single contract including a safe and secure transition of services to new multi-source arrangements.



End User Computing

Provision of laptops, desktops, corporate devices, peripherals; Deal with desktop Operating System and software deployment to end user devices.



Service Desk

Single point of contact for end users; Provides self help info and multi-channel contact; Targets first-time-fix; passes user tickets on to other lots.

3.9 Following the approval of the Procurement Strategy on 10 November 2017 (CCB1288/17-18), detailed market engagement was undertaken to enable the final lot structure and procurement routes to be determined. A review of procurement routes identified the Crown Commercial Services (CCS) Technology Services 2 Framework, Lot 3a as the best fit for the Council's requirements. The CCS frameworks are pre-bid EU compliant routes to market and include a wide range of suppliers from large multi-nationals to SME's. This informed the amended Procurement Strategy presented to CCB on 5 July 2018.

3.10 The Procurement

3.11 All 104 suppliers on Lot 3a of the framework were contacted to establish their interest in the opportunity. 24 suppliers self-excluded from the tender. 80 suppliers were invited to tender.

3.12 On 27 June 2018 an Invitation to Tender was issued followed by a period for clarification questions. Final bids were received from 7 suppliers by the close date on 8 August 2018. The bids were then evaluated by a panel of subject matter experts, taken from ICT, Procurement, and Service Users, with support from Legal and Finance, between 8 August and 29 August 2018.

3.13 The tender was let to the most economically advantageous tender (MEAT) based on an evaluation split of 50% quality and 50% price, a deviation from the Council standard. This change followed the extensive market engagement which highlighted the importance of quality with this service being the front line and first point of contact for the business.

3.14 For quality each response to the requirements and the method statements were scored on a 0-5 basis with a minimum score of 3 for key requirements including social value and a minimum unweighted total quality score of 60 out of 100.

3.15 The instructions to tender highlighted several requirements set out in the method statement questions as mandatory and a minimum score of 3 needed to be achieved. Three bidders failed to meet the mandatory minimum score for at least one of the method statement questions and therefore although

their tenders were evaluated for both price and quality, they were excluded from the outcome.

The evaluation criteria for quality were weighted as follows:

Section	Weight
Technical & Service Requirements	15%
Services & Account Management	21%
Implementation/Mobilisation	26%
Transformation/innovation/service improvement approach	26%
Social Value	10%
Early Payment Programme	2%
TOTAL QUALITY	= 100%

3.16 The total unweighted scores for each bidder are shown below: All bidders achieved the 60 out of 100 target overall.

3.17 Weighted Quality scores total

Scores were subject to the weighting applied to the quality evaluation criteria to arrive at the total for quality (note the maximum achievable is 50%)

Section	Bidder 1	Bidder 2	Bidder 3	Bidder 4	Bidder 5	Bidder 6	Bidder 7
Quality (50%)	33.48%	30.4%	36.49%	35.41%	35.5%	33.84%	35.64%

3.18 Detailed Average Unweighted Quality Scores

Question No.		Average						
		B1	B2	B3	B4	B5	B6	B7
1	Scope and Solution	2.50	2.50	3.00	3.00	3.00	2.75	3.25
2	Transition	3.00	3.00	3.40	3.50	3.70	3.00	3.50
3	TUPE	2.20	2.20	2.80	3.60	2.40	3.00	2.80
4	Service Integration	3.25	2.40	3.00	2.60	2.40	2.20	2.40
5	Customer Satisfaction	3.25	3.00	3.00	3.00	3.00	3.25	3.50
6	Innovation	3.25	2.38	3.75	3.25	3.25	3.25	3.75
7	Continuous Improvement	2.80	3.00	3.20	3.25	3.80	3.00	3.60
8	Incident Management	2.80	2.80	3.00	2.80	3.40	3.00	3.40
9	Major Incident Management	2.80	2.80	3.40	3.20	3.20	3.20	3.00
10	Request Fulfilment	3.00	3.00	3.20	3.00	3.20	3.20	2.80
11	Problem Management	3.00	2.90	3.60	3.00	3.20	3.00	3.00
12	Change Management	2.40	2.60	3.20	2.80	2.80	3.20	2.80
13	Knowledge Management	2.60	2.80	3.50	2.80	3.00	3.00	3.00
14	Access	3.60	3.20	3.20	2.80	3.00	3.40	3.20
15	Event	3.00	1.50	3.00	2.80	3.00	3.00	2.80
16	Service Asset and Configuration Management	2.80	2.70	3.20	3.00	3.00	2.80	2.80
17	Service Transition (Onboarding)	2.80	3.00	3.00	3.00	3.00	3.00	3.00
18	End-User Training	3.20	2.60	3.60	2.40	3.20	3.00	3.40
19	Intelligent Hands	2.80	2.40	3.20	2.80	2.60	2.80	3.20
20	Ad Hoc Projects	2.60	2.60	3.40	3.00	2.80	3.00	3.20
21	Device Management - Image Update and Deployment	3.60	3.00	4.00	3.00	3.40	3.20	3.60
22	Device Management - Laptop Refresh	3.20	3.35	4.00	3.40	3.55	3.10	4.20
23	Device Management - AD and ADFS	3.60	3.40	3.40	3.60	3.40	3.20	3.80
24	Device Management - O365	3.00	3.20	2.80	3.00	3.60	3.00	3.40
25	Device Management - Application Management	3.40	3.00	3.20	3.00	3.40	3.40	3.60
26	Device Management - Deskside (Remote)	3.00	2.60	3.20	2.80	3.40	3.40	3.60
27	Libraries and Calat	3.00	2.60	3.60	3.40	3.80	3.20	2.60
28	Citrix Support	3.20	3.20	3.60	3.20	3.80	3.00	3.00
29	ITSM Toolset	3.20	2.80	3.20	3.00	2.80	3.60	2.60
30	Social Value	3.50	2.38	3.25	3.00	3.25	3.25	3.00
31	Prompt Payment	22.00	20.95	24.10	21.70	24.05	23.50	23.50

3.19 Detailed Weighted Quality Scores

Question No.		Weighted score						
		B1	B2	B3	B4	B5	B6	B7
1	Scope and Solution	5.25	5.25	6.30	6.30	6.30	5.78	6.83
2	Transition	7.8	7.8	8.84	9.1	9.62	7.8	9.1
3	TUPE	5.72	5.72	7.28	9.36	6.24	7.8	7.28
4	Service Integration	6.825	5.04	6.3	5.46	5.04	4.62	5.04
5	Customer Satisfaction	2.41	2.23	2.23	2.23	2.23	2.41	2.60
6	Innovation	2.41	1.76	2.78	2.41	2.41	2.41	2.78
7	Continuous Improvement	2.08	2.23	2.37	2.41	2.82	2.23	2.67
8	Incident Management	0.46	0.46	0.50	0.46	0.56	0.50	0.56
9	Major Incident Management	0.46	0.46	0.56	0.53	0.53	0.53	0.50
10	Request Fulfilment	0.50	0.50	0.53	0.50	0.53	0.53	0.46
11	Problem Management	0.50	0.48	0.60	0.50	0.53	0.50	0.50
12	Change Management	0.40	0.43	0.53	0.46	0.46	0.53	0.46
13	Knowledge Management	0.43	0.46	0.58	0.46	0.50	0.50	0.50
14	Access	0.60	0.53	0.53	0.46	0.50	0.56	0.53
15	Event	0.50	0.25	0.50	0.46	0.50	0.50	0.46
16	Service Asset and Configuration Management	0.46	0.45	0.53	0.50	0.50	0.46	0.46
17	Service Transition (Onboarding)	0.46	0.50	0.50	0.50	0.50	0.50	0.50
18	End-User Training	0.53	0.43	0.60	0.40	0.53	0.50	0.56
19	Intelligent Hands	0.46	0.40	0.53	0.46	0.43	0.46	0.53
20	Ad Hoc Projects	0.43	0.43	0.56	0.50	0.46	0.50	0.53
21	Device Management - Image Update and Deployment	0.60	0.50	0.66	0.50	0.56	0.53	0.60
22	Device Management - Laptop Refresh	2.37	2.49	2.97	2.52	2.63	2.30	3.12
23	Device Management - AD and ADFS	2.67	2.52	2.52	2.67	2.52	2.37	2.82
24	Device Management - O365	0.53	0.56	0.49	0.53	0.63	0.53	0.60
25	Device Management - Application Management	0.60	0.53	0.56	0.53	0.60	0.60	0.63
26	Device Management - Deskside (Remote)	0.53	0.46	0.56	0.49	0.60	0.60	0.63
27	Libraries and Calat	2.23	1.93	2.67	2.52	2.82	2.37	1.93
28	Citrix Support	2.37	2.37	2.67	2.37	2.82	2.23	2.23
29	ITSM Toolset	0.56	0.49	0.56	0.53	0.49	0.63	0.46
30	Social Value	7.00	4.75	6.50	6.00	6.50	6.50	6.00
31	Prompt Payment	8.80	8.38	9.64	8.68	9.62	9.40	9.40
Total for quality Q1-31		66.97	60.80	72.98	70.82	71.00	67.68	71.28
		33.48%	30.40%	36.49%	35.41%	35.50%	33.84%	35.64%

3.20 Pricing evaluation

The following table shows the price evaluations without taking into account the failure to meet mandatory quality scores. The lowest priced bid attains the high score of 50% and each bidder price is a percentage of that.

Section	Bidder 1	Bidder 2	Bidder 3	Bidder 4	Bidder 5	Bidder 6	Bidder 7
Price (50%)	50	30.67	22.3	29.5	32.63	24.8	29.7

3.21 Final combined

Final combined evaluation scoring taking into account bidders excluded for not meeting minimum quality scores. However as 3 bidders (1, 2 and 6) did not meet minimum quality scores on mandatory questions they were not included in the final combined Quality + Price totals.

Section	Bidder 1	Bidder 2	Bidder 3	Bidder 4	Bidder 5	Bidder 6	Bidder 7
Quality (50%)			36.49%	35.41%	35.5%		35.64%
PRICE (50%)			22.3	29.5	32.63		29.7
TOTAL			58.79	65.91	68.1		65.34

3.22 Based on the above it is recommended that Bidder 5 is awarded the contract for the Provision of ICT End User Services. Details are contained within part B of the report.

3.23 The tender pack included the framework terms and conditions amended by the Council to reflect requirements. No major changes have been made by bidders and these terms will apply.

4. CONSULTATION

4.1 Significant consultation was undertaken around the Good to Great Programme with staff and Directors across the business and with Cabinet.

4.2 Extensive consultation was undertaken with suppliers in the market via a series of supplier days, phone calls and product specific webinars to establish the best approach for lots and procurement routes. Feedback was also received on terms and conditions and performance management including service level and service credit approaches.

4.3 Finally, market research with key industry experts such as Gartner and Cable was undertaken.

5. FINANCIAL AND RISK ASSESSMENT CONSIDERATIONS

5.1 Please see Part B Report

1 Revenue and Capital consequences of report recommendations

2 The effect of the decision

Please see Part B of the Report.

3 Risks

No.	Risk	Impact	Mitigation
1	Service will not be ready when existing contract expires	ICT front line and first point of contact will be significantly impacted affecting all Council users and delaying resolution of issues.	Sufficient time has been allowed for implementation and contingency allowed for. Emergency extension of existing contract allowed for.
2	Challenge from an unsuccessful bidder.	Delay to the award and implementation.	EU and Council compliant process undertaken. Robust process in place with sufficient audit and review including external legal advice.
3	Implementation may coincide with ICT Department restructure.	Lack of staff buy in and support. Reduced assistance for new supplier.	Program and project managers appointed and ongoing review of restructure timing and potential impacts.
4	Incumbent supplier's lack of support and documentation.	New supplier will struggle with service transition and may impact on initial performance.	Exit management plan for incumbent in place and closely monitored.
5	Incumbent supplier's resource requirements to assist transition.	Impact on service delivery and increased cost.	Exit management plan for incumbent in place and closely monitored.
6	Issue with dependencies between ICT End User Services supplier and other new suppliers in Good to Great programme.	Impact on service delivery to Council staff and other suppliers. Increased cost.	ICT restructure will appoint key contract management staff to manage dependencies and delivery.

4 Options

Alternative options were considered and rejected in the Procurement Strategy report.

An assessment was made of the costs of running this service in-house, as opposed to outsourcing which showed that, for this service, the annual cost of the successful bid was lower. The longer term benefits of access to resources, utilizing technological change and fit with Council strategy also favour outsourcing.

A financial health check was conducted and no issues were reported.

5 Future savings/efficiencies

The tender issued required the bidders to propose solutions to enhance the quality of services provided to end users and promote opportunities to reduce operational costs.

Approved by: Ian Geary, Department Head of Finance

6. COMMENTS OF THE COUNCIL SOLICITOR AND MONITORING OFFICER

- 6.1 The Council has taken advice from external lawyers throughout this procurement. The lawyers have confirmed that they believe the process to have been run in a compliant manner.

Approved by: Sean Murphy, Head of Commercial and Property Law on behalf of the Director of Law and Monitoring Officer

7. HUMAN RESOURCES IMPACT

- 7.1 There are no HR implications for Council employees arising from this procurement process. However the procurement strategy could result in service provision changes which may invoke the effects of TUPE (Transfer of Undertakings (Protection of Employment) 2006 Legislation, amended 2014).
- 7.2 Where TUPE applies, the affected staffing group would transfer to the new service provider on their existing terms and conditions of employment. This may be the Council directly or to a new service provider, for which the Council is the client. The appropriate TUPE protocols must be followed; particularly the duty to consult with the recognised trade unions and affected staff. HR advice should therefore be sought throughout this process.

Approved by: Sue Moorman Director of Human Resources

8. EQUALITIES IMPACT

- 8.1 An Initial Equality Analysis was undertaken to assess the potential impact on groups that share a protected characteristic. This concluded that a full equality analysis will not be required due to the fact that the procurement would not have any adverse impact on protected groups compared to non-protected groups

9. ENVIRONMENTAL IMPACT

9.1 There are no environmental impacts arising from this procurement.

10. CRIME AND DISORDER REDUCTION IMPACT

10.1 There are no crime and disorder impacts from this procurement.

11. REASONS FOR RECOMMENDATIONS/PROPOSED DECISION

11.1 The strategy for the programme was approved by the Contracts and Commissioning Board (CCB) on 10 November 2017 and updated on 5 July 2018 with the specific lot structure and procurement approach.

11.2 The recommendation to award this contract is based on value for money for the Council based on the agreed evaluation criteria and meets service requirements and provides the opportunity for an enhanced and efficient service.

12. OPTIONS CONSIDERED AND REJECTED

12.1 Alternative options were considered and rejected in the Procurement Strategy report.

12.2 An assessment was made of the costs of running this service in-house, as opposed to outsourcing.

CONTACT OFFICER:	Mark Davies, Interim Head of ICT Extension 65516.
APPENDICES TO THIS REPORT:	None
BACKGROUND PAPERS:	ICT Sourcing Strategy Report to Contracts Commissioning Board Revised ICT Sourcing Strategy Report to Contracts and Commissioning Board