

Report to: Cabinet
Date of meeting: 10 October 2016
Report of: Joanne Wagstaffe, Director of Finance
Title: Procurement of ICT network services and Revenues and Benefits software support.

1.0 **Summary**

- 1.1 The Council has entered into two ICT contracts, one for the support of the Revenues and Benefits (Academy) system and also one for the provision of network support services.
- 1.2 The Academy software used by the Revs and Bens department is owned by Capita Software Services, who limit the licences to provide support services.

Academy

As such there is only a limited market of vendors to provide support services for the software, with the vendors being limited to Capita Support Services and Civica. Before approaching both, all of the vendors shown on the government framework, (all 4 of them), were approached and asked if they provided support for Academy under the framework, all but Capita Software Services, the software owner declined. Instead offering their own packages.

In order to get competitive costs for support of the Academy package, both Capita Software Services and Civica were invited to put forward costs for a support offering, of these Civica was the cheapest and offering the best value.

1.3 **Network Services**

The tender for Network Services had limited responses, all of which were excessively high in relation to the services being sought. Therefore the council approached the incumbent Service Desk provider to enquire if these services could be provided as an additional cost to the existing contract, so as to ensure that the Council had network services provided for the remainder of the ICT contract. The Service Desk provider, Amicus, provided a substantially lower cost for exactly the same Network Services, as had gone to Tender previously. This exemption therefore seeks approval to appoint Amicus as provider of Network Services on basis of exceptional circumstances to ensure that the Council's ICT service has provision of network services for the remainder of the ICT contract.

- 1.4 In accordance with the Contract Procedure Rules an exemption can be granted by the Managing Director if there is a limited market or other exceptional

circumstances. Exemptions must then be reported to the next available cabinet and noted on the contract exemption register held by the Corporate Procurement Manager.

2.0 **Recommendations**

2.1 That Cabinet notes the approved exemption to the Council's Procurement Procedures in relation to the appointment of support to the Academy system and also the provision of network services.

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3.0 **Detailed Proposal**

3.1 Details of the exemptions, including the estimated cost can be found at Appendix A to this report along with an extract of the Council's Contract Procedure Rules as they relate to Exemptions.

4.0 **Implications**

4.1 **Financial**

4.1.1 The Director of Finance comments that these services can be contained within the current budgets.

4.2.1 **Legal Issues** (Monitoring Officer)

The Head of Democracy & Governance comments that In accordance with the Contract Procedure Rules an exemption can be granted by the Managing Director if there is a limited market or other exceptional circumstances. Exemptions must then be reported to the next available cabinet and noted on the contract exemption register held by the Corporate Procurement Manager

4.3 **Equalities**

4.3.1 Not applicable in relation to this item.

4.4 Potential Risks

Potential Risk	Likelihood	Impact	Overall score
Potential suppliers challenge the Council's decision not to procure the supply of the services using a competitive tendering procedure.	1	3	3
Those risks scoring 9 or above are considered significant and will need specific attention in project management. They will also be added to the service's Risk Register.			

4.5 Staffing

4.5.1 There are no staffing implications from this report.

4.6 Accommodation

4.6.1 There are no accommodation implications from this report.

4.7 Community Safety

4.7.1 There are no community safety implications from this report.

4.8 Sustainability

4.8.1 There are no sustainability implications from this report.

Appendices

Appendix A Exemption Record Application incorporating an extract from Watford Borough Council's Contract Procedure in relation to Exemptions and signed approval forms dated 13 September 2016.

Background Papers

No background papers were used in the preparation of this report.

File Reference

None