
REPORT TO THE MEETING OF THE EXECUTIVE 8 DECEMBER 2010**PORTFOLIO: SERVICE DEVELOPMENT, IMPROVEMENT AND PERFORMANCE MANAGEMENT****REPORT FROM HEAD OF INFORMATION & CUSTOMER SERVICES****SUBJECT: IT CONTRACT JOINT PROCUREMENT****1 DECISION BEING RECOMMENDED**

- 1.1 To agree to participate in the IT contract joint procurement process by endorsing involvement in the selection and appointment of technical IT procurement and legal expertise to develop the contract specification.
- 1.2 To agree a contribution of up to an additional £30,000 from the IT Strategy Reserve to fund this technical assistance.
- 1.3 To set up an IT Contract Procurement Advisory Group comprising the Leader, Deputy Leader and Portfolio Holder for Service Development, Improvement and Performance Management, the Portfolio Holder for Finance & Resources and Leader of the Opposition (or nominee), with terms of reference as set out in paragraph 2.6.

2 REASONS FOR RECOMMENDATION

- 2.1 During late 2009, the 5 Essex authorities (Braintree, Castle Point, Colchester, Rochford and Tendring) with an outsourced IT service conducted a 'soft market test' exercise with all the current incumbent contractors. A joint high level specification was produced and the contractors were invited to submit proposals as to how they would deliver the required service and at what cost. All the contractors submitted bids that indicated that, dependent on the extent of the combined service specification, savings in delivery could be achieved for 4 of the authorities (Tendring had an option to extend their existing contract and this proved to be most advantageous for them).
- 2.2 As a result of the indications from the soft market test, officers from the 4 remaining authorities have been discussing ways in which they could work together to procure a joint IT contract. Rochford's IT contract expires in March 2013, Braintree and Colchester's both in March 2012 and Castle Point's in September 2012.
- 2.3 Initial discussions at the officer group have centered around the need to identify specialist technical support in the areas of IT procurement and legal expertise, as any tender process involving 4 authorities is likely to be complex and require detailed specialist knowledge, management and co-ordination. Without entering into any financial commitment at this stage, the specifications for the technical support have been put out to tender by Braintree Council. Assessments of the bids will be conducted by the officer

group in early December and the results of this will be reported to the Executive on 8 December 2010.

2.4 At this stage it is believed to be advantageous for Rochford to contribute financially to and be involved in this initial work with the technical specialists as it will provide useful information on the tender specification and procurement options that we will need to consider whether we tender alone or in collaboration with the other authorities for our IT service.

2.5 The draft outline timescale of the potential combined tender process is as follows:-

| | |
|---|----------------------------|
| Development of requirements specification | December 2010 - March 2011 |
| OJEU tender process | April 2011-May 2011 |
| Evaluation process | June 2011 - September 2011 |
| Award of contract | October 2011 |
| Contract start date: | |
| - Braintree and Colchester | April 2012 |
| - Castle Point | October 2012 |
| - Rochford | April 2013 |

2.6 As this is an important project for the Authority it is proposed that a Member Advisory Group be set up to oversee the work. It is suggested that this should comprise the Leader, Deputy Leader and Portfolio Holder for Service Development, Improvement and Performance Management, the Portfolio Holder for Finance and Resources and Leader of the Opposition (or nominee). The proposed Terms of Reference are as follows:-

- to oversee the progress and development of the contract procurement process for IT
- to advise the Executive on the appropriate course of action.

2.7 Key points in the timetable that will require the decision of the Executive are in March 2011 when we will need to determine whether the authority is part of the joint procurement process, and if we are part of the process, again in October 2011 when the contract is likely to be awarded.

2.8 The Member Advisory Group will be able to ensure that learning arising from the review of the recent Materials Recovery Facility (MRF) tender can be taken into account during this process.

3 ALTERNATIVE OPTIONS CONSIDERED

3.1 At this stage it is considered to be beneficial to participate in the work with the other authorities as this will produce learning that can then be used at a later date should the Council decide not to participate in the joint procurement and instead tender alone.

4 RISK IMPLICATIONS

- 4.1 There are risks to the Council in entering a joint procurement exercise leading potentially to a joint IT service. These can be mitigated by the use of specialist IT procurement and legal advice, and by ensuring that the service specification clearly identifies the priorities of the Council and enables us to adapt to emerging technologies during the course of a new contract.

5 RESOURCE IMPLICATIONS

- 5.1 The specialist technical IT procurement and legal support will require a financial contribution of up to £50,000 from each authority. Currently, £20,000 has been identified in the approved IT Strategy Action Plan. An additional £30,000 can be identified from the IT Strategy fund by re-prioritising projects. The joint officer group is discussing how much each authority will actually contribute based on size of authority, and details of this discussion will be provided to the Executive at its meeting (as a comparison, the Council spent £47,500 for technical support when the existing IT contract was tendered).

6 EQUALITY AND DIVERSITY IMPLICATIONS

- 6.1 An initial equality impact assessment has been carried out and it has been identified that this work is unlikely to have a detrimental impact in terms of race, age, sexual orientation, disability, gender or religion.

I confirm that the above recommendation does not depart from Council policy and that appropriate consideration has been given to any budgetary and legal implications.

SMT Lead Officer Signature: _____

Head of Information & Customer Services

Background Papers:

None.

For further information please contact Sarah Fowler on:-

Tel:- 01702 546366

Email:- sarah.fowler@rochford.gov.uk

If you would like this report in large print, Braille or another language please contact 01702 546366.