

North Lanarkshire Council Report

Finance And Resources Committee

approval noting

Ref PH/PD

Date 25 February 2019

Contract Award for the Supply and Maintenance of a Revenues and Benefits System

From Head of Financial Solutions

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Executive Summary

This report seeks approval from the Committee to award to Civica UK Ltd the contact for supply and maintenance of a fully integrated revenues and benefits system. The procurement exercise was conducted using the Crown Commercial Services Framework as a route to market to award contracts directly to the framework supplier who provided the most economically advantageous tender, in terms of cost and quality, for the Council's requirements.

Recommendations

It is recommended that Committee;

(1) Consider the contents of this report and accompanying appendices, and

(2) Approve the award of a contract for the supply & maintenance of a Revenues and Benefits System to Civica UK Ltd for an initial period of five years from 26 March 2019 until 25 March 2024 with the option to extend for a further year until 25 March 2026.

Supporting Documents

Appendix 1 Evaluation outcome.

Appendix 2 Summary of procurement process.

1. Background

- 1.1 The Authority requires a Revenues and Benefits system to administer and collect local taxes and administer welfare benefits.
- 1.2 The contract with the current incumbent expires in January 2020.
- 1.3 The tender was advertised to seek a contract award by 31 March 2019. This was to allow sufficient time for any required mobilisation activities i.e. data conversion, testing and staff training.
- 1.4 Use of the Crown Commercial Services “RM1059 – Local Authority Software Applications, Lot 1 Revenues and Benefits Systems” was considered to be the best route to market.

2. Report

- 2.1 Call off options from the framework included either direct award or mini competition. Mini Competition was identified as the most appropriate route.
- 2.2 A total of three suppliers were invited to tender: Civica UK Ltd, Capita Plc and Idox Software Ltd. These were the only framework suppliers applicable for invitation to tender.
- 2.3 To keep in line with framework guidance, a contract period of five years with an option for the Council to extend for a further two years was set.
- 2.3 Only Civica UK Ltd submitted a tender.
- 2.4 The tender was evaluated in line with requirements to determine the most economically advantageous tender weighted against price, quality technical assistance, aesthetic and functional characteristics.
- 2.5 Civica UK Ltd achieved an overall tender score of 98.24%. The score evaluation is attached in appendix 1 and summary of the procurement process detailed in appendix 2.
- 2.6 The tendered contract price is £279,000 per annum fixed for the duration of the contract.

3. Equality and Diversity

3.1 Fairer Scotland

N/A

3.2 Equality Impact Assessment

N/A

4. Implications

4.1 Financial Impact

The cost of the contract is slightly higher than the current spend by £2,000 per annum. However the Supplier has included in the tender additional software modules and ongoing maintenance which will amount to £60,558 in year one

and £10,093 pa during years two to five of the contract. This additional software will facilitate and support the Digital NL programme for Revenues and Benefits.

In addition to this as Civica UK Ltd are the current supplier the Council will not be subject to additional costs in relation to systems migration, down time (based on previous experience 6 weeks) and staff training expenses.

4.2 HR/Policy/Legislative Impact

N/A

4.3 Environmental Impact

N/A

4.4 Risk Impact

No significant risk form awarding the contract to Civica UK Ltd.

5. Measures of success

5.1 The contractor's performance will be proactively and continually monitored for the duration of the contract.

A handwritten signature in black ink, appearing to be 'M.B.' with a flourish at the end.

Head of Financial Solutions

Appendix 1 - Evaluation Outcome

Tenderer	Weighted Price Score	Weighted Quality Score	Weighted Technical Assistance Score	Weighted Aesthetic & Functional Characteristics Score	Final Tender Score	Final Tender Rank	Recommended For Contract Award (Yes / No)
Civica UK Limited	40.00%	38.74%	15.00%	4.50%	98.24%	1	Yes

Appendix 2 - Summary of the procurement process

Contract Title	Supply and Maintenance of a Revenues & Benefits System
Contract period adopted by the Council	26-03-19 until 25-03-24 (with the option to extend for an additional 2 year period until 25-03-26)
Estimated total contract value	£ 1,395,000
Governing UK Regulation	The Public Contracts (Scotland) Regulations 2015
Contract Award procedure adopted by the Council	Mini-competition from Crown Commercial Services Framework "RM1059 – Local Authority Software Applications, Lot 1 Revenues and Benefits Systems"
Number of suppliers invited to the competition	3
Number of tenders received by response deadline	1
Number of non-compliant tenders	0
Number of compliant tenders	1
Number of suppliers recommended for contract award by the Council	1 supplier
Basis of contract award	Most Economically Advantageous Tender
Evaluation criteria and weightings	Price 40% Quality 40% Technical Assistance 15% Aesthetic & Functional Characteristics 5%
Evaluation team	Officers from Revenues and Benefits Team