

 Brent	Officer Key Decision
	Report to the Strategic Director of Customer and Digital Services
AUTHORITY TO AWARD CONTRACT FOR ORACLE CLOUD IMPLEMENTATION SERVICES	

Wards Affected:	All
Key or Non-Key Decision:	Key Decision
Open or Part/Fully Exempt: (If exempt, please highlight relevant paragraph of Part 1, Schedule 12A of 1972 Local Government Act)	Part Exempt – Appendix 1 is exempt as it contains the following category of exempt information as specified in Paragraph 3, Schedule 12A of the Local Government Act 1972, namely: “Information relating to the financial or business affairs of any particular person (including the authority holding that information)”
No. of Appendices:	2
Background Papers¹:	None
Contact Officer(s): (Name, Title, Contact Details)	Philippa Brewin, Service Account and Procurement Manager, Shared ICT Service, philippa.brewin@brent.gov.uk 020 8937 1733

1.0 Purpose of the Report

- 1.1 This report concerns the award of a contract for Oracle cloud implementation services for Brent Council. This report requests authority to award a contract as required by Contract Standing Order 88. The report summarises the process undertaken in tendering this contract and, following the completion of the evaluation of the tenders, recommends to whom the contract should be awarded.

2.0 Recommendation(s)

That the Strategic Director of Customer and Digital Services:

- 2.1 Approves the award of the contract for Oracle Cloud Implementation Services to Infosys Limited for a period of 18 months.

3.0 Detail

- 3.1 The Council currently uses Oracle for its Enterprise Resource Planning (ERP) system. To stay on a supported version of this software there is a need to migrate to the Oracle Cloud version. This means that the current Oracle system needs to be replaced with the Oracle Cloud product.
- 3.2 Brent was part of the OneOracle project from 2012 where the support and hosting of the Oracle platform was shared across six other London boroughs. When this arrangement ended in July 2018 Brent made the decision to bring the system back in house and host it on Brent servers within the Council's data centre. The Council now needs to establish a programme that will include the provision of system implementer support to migrate from existing finance, procurement and HR/Payroll systems to a single Oracle Cloud solution. The contract will be awarded to a single supplier with Go Live expected to be October 2021.
- 3.3 The Oracle Cloud system will replace the current Oracle system that is used for the financial, procurement, payroll and HR transactions of the Council. A lot of the functionality remains the same or broadly similar, however to ensure a smooth transition to the new system there will be a need to take users through a process of business change and this is included as part of the implementation plan. Brent provides comprehensive Finance, Procurement, HR and Payroll services for Council employees. It also provides payroll services across all pensions relevant to local authorities.

The Tender Process

- 3.4 Tenders for the contract were invited from the Crown Commercial Service (CCS) Framework RM1043.6 Digital Outcomes and Specialists 4 (the "Framework Agreement") Lot 1 (Digital Outcomes). Officers invited the tenders once approval from the Chief Officer was obtained and confirmation of legality to use the framework obtained from the Director of Legal HR, Audit & Investigations.
- 3.5 The opportunity was advertised on the CCS Digital Marketplace on 17 February 2020. The suppliers on the framework were then able to decide whether or not to apply to be included in a shortlist for tendering. The closing date for applications was 2 March 2020 and 7 suppliers applied. Of these, one

was withdrawn as it was a duplicate of an application through another supplier (i.e. one organisation had applied through two different resellers). The tender evaluation panel then scored the 6 remaining suppliers' responses and shortlisted 4 to be invited to tender. The shortlisting was based on skills and experience only, in accordance with the framework rules.

- 3.6 The 4 shortlisted suppliers were invited to tender on 4 March 2020, using the London Tenders Portal.
- 3.7 In accordance with the requirements of the Framework Agreement, the original marketplace advertisement and the Invitation to Tender stated that the selection of Suppliers to be awarded the contract would be made on the basis of the most economically advantageous bid and that in evaluating tenders, the Council would have regard to the following:
- Technical Competence: Proposal (35%)
 - Cultural Fit (5%)
 - Price (60%)

Evaluation process

- 3.8 The tender evaluation was carried out by a panel of officers consisting of Brent service users, Brent ICT Applications and Support and the Shared ICT Service.
- 3.9 All tenders had to be submitted electronically no later than 2pm on 23 April 2020. 4 tenders were submitted.
- 3.10 The suppliers were invited to attend online interviews on 29 April, where they presented their proposals and the panel asked, and received answers to, some clarification questions.
- 3.11 Following the interviews, the panel met on 30 April and 4 May and each submission was marked by the whole panel against the award criteria.
- 3.12 The names of the tenderers are contained in exempt Appendix 1. The scores received by the tenderers for each lot are included in Appendix 2. It will be noted that Tenderer A was the highest scoring tenderer. This report therefore recommends that the award is made to Tenderer A, namely Infosys Limited.
- 3.13 It is anticipated that the contract will commence on 1 June 2020.

4.0 Financial Implications

- 4.1 Part 3 of the Council's Constitution states that the Strategic Director of Customer and Digital Services has delegated authority to approve the award of contracts for services valued at less than £2 million.
- 4.2 The estimated value of this contract is £1,953,730 being £1,561,000 for the implementation and three months' go live support, £144,530 for data extraction, £227,350 for additional reports, and a dayrate contingency of £20,850. This differs from the evaluated tender price because, following the evaluation process and taking into account the tenderers' proposals, it is now considered that the number of additional reports originally included in the tender price calculation is likely to decrease. This reduction in the number of reports does not affect the tender outcome in terms of the ranking of the tenderers.
- 4.3 The costs of the contract will be funded from the approved ICT capital budget set aside for the Oracle Cloud implementation.

5.0 Legal Implications

- 5.1 This memo is seeking approval to award the contract to Infosys Limited, for the provision of implementation services for Oracle Cloud for a period of 18 months.
- 5.2 The estimated value of this contract as detailed in paragraph 4.2 is in excess of the EU threshold for services or supplies contracts which currently is £189,330. The award of this contract is therefore governed by the Public Contracts Regulations 2015 (the "EU Regulations"). The award is subject to the Council's own Standing Orders in respect of Medium Value Contracts and Financial Regulations.
- 5.3 Officers have explained in paragraph 3.4, that in order to procure this contract they used the CCS Framework RM1043.6. Paragraph 86 (e)(ii) of the Council's Contract Standing Orders state that no formal tendering procedures apply where contracts are called off under a framework agreement established by another contracting authority, where call off under the framework agreement is approved by the relevant Chief Officer and provided that the Chief Legal Officer has advised that participation in the framework is legally permissible. Legal Services reviewed the Framework Agreement used and was able to confirm that participation under this framework was legally permissible in February 2020.
- 5.4 As indicated in paragraph 5.2, the award of the contract is subject to the Council's own Standing Orders in respect of Medium Value Contracts. Chief

Officers have delegated to them power to award Medium Value Contracts in accordance with paragraph 9.5, of Part 3 of the Constitution.

6.0 Equality Implications

- 6.1 The Council has, in the exercise of its functions to appoint a system implementation partner, had due regard to the need to:
- (a) eliminate discrimination, harassment and victimisation
 - (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it; and
 - (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it,
- pursuant to s149 Equality Act 2010. This is known as the Public Sector Equality Duty.
- 6.2 The Public Sector Equality Duty covers nine protected characteristics: age, disability, marriage and civil partnership, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation. The purpose of the duty is to enquire into whether a proposed decision disproportionately affects people with a protected characteristic. In other words, the indirect discriminatory effects of a proposed decision. Due regard is the regard that is appropriate in all the circumstances.
- 6.3 The proposals in this report have been subject to screening and officers believe that there are no equality implications.

7.0 Consultation with Ward Members and Stakeholders

- 7.1 The outcome of the procurement exercise has followed government guidelines and has been subject to internal programme governance controls set up by the Senior Responsible Officer (SRO), Strategic Director Customer and Digital Services, with input and review by Heads of Service for Finance, HR and Procurement and ICT.
- 7.2 The results of the procurement review and recommendations were made formally to the SRO and Heads of Service on the 6 May 2020 and these were approved.

8.0 Public Services (Social Value) Act 2012

- 8.1 The Council is under a duty pursuant to the Public Services (Social Value) Act 2012 (“the Social Value Act”) to consider how services being procured might improve the economic, social and environmental well-being of its area; how, in conducting the procurement process, the Council might act with a view to securing that improvement; and whether the Council should undertake

consultation. Officers have had regard to considerations contained in the Social Value Act in relation to the procurement.

- 8.2 Social Value criteria are not included in the prescribed criteria for procurements under the framework. The recommended bidders will be required to commit to pay the London Living Wage for services delivered under the contract.

Report sign off:

SALLY CHIN

Head of ICT and Applications
Support