



Executive Decision Report

Decision maker(s) at each authority and date of Cabinet meeting, Cabinet Member meeting or (in the case of individual Cabinet Member decisions) the earliest date the decision will be taken	<i>Cabinet Member. Cllr Mary Weale</i>	 THE ROYAL BOROUGH OF KENSINGTON AND CHELSEA
	<i>Cabinet Member. Cllr Paul Swaddle,</i>	 City of Westminster
Report title	Digital Partners Framework	
Reporting officer	Priya Javeri, CIO, Corporate Services	
Key decision	Yes	
Access to information classification	Unrestricted	

1. EXECUTIVE SUMMARY

- 1.1. The Digital Partner tender aims to deliver a contractual 'zero commit' framework with 9 suppliers with permitted spend up to £10 million over two years with option to extend for further 2 years. This will allow Bi-Borough IT service to respond more quickly to the increasing demand.
- 1.2. The evaluation process started on the 18th of February with goal to seek formal approval by WCC cabinet member on Monday 29th March and RBKC approval at RBKC Leadership meeting on 15th April.
- 1.3. The evaluation process is now complete. The final scores are confirmed and outlined in this document.
- 1.4. The aim is to go live with the Framework with an aim to award contracts using this Framework in May 2021.

2.0 RECOMMENDATION

To approve the contract award for the delivery of the IT Digital Partners Framework requirement to the suppliers listed below.

IT Digital Partners Framework Winners

Lots	Description	Score	Winners
Lot 1	Smart City Technologies	79.48%	Perform Green
Lot 2	Microsoft Dynamics CRM	77.44%	Code DSS
Lot 3	User Centred Design and Digital Delivery	69.86%	Nudge Digital
Lot 4	Drupal based Web Technologies	92.03%	Zoocha
Lot 5	Application Development and Integration	76.00%	Head Cannel
Lot 6	Cyber Security	75.64%	Actica
Lot 7a	General Lot LSE	84.36%	Infosys
Lot 7b	General Lot LSE	77.32%	NetCompany
Lot 7c	General Lot LSE	73.34%	Version 1

3. REASONS FOR DECISION

- 3.1. The above suppliers scored highest following the evaluation process against their technical and commercial responses and presentation clarifications to the Invitation to Tender. The full tender process is outlined below.
- 3.2. The framework is for the period starting from 1st May 2021 to 30th April 2023 with the option to extend for an additional period of 2 of years. The full contract term is 4 years at a total contract value of £10,000,000.
- 3.3. The approval is sought on a 'zero commit' framework with 9 suppliers with permitted spend up to £10million, across WCC and RBKC, over two years with an option to extend for further 2 years.
- 3.4. The contract value has not been allocated per lot or per Council, but rather taking the totality of the framework requirement into consideration.

4. BACKGROUND

- 4.1. The two councils WCC and RBKC have high ambitions to deliver improved digital services to its residents. This will create a new demand with conflicting priorities for the Bi-Borough IT service.
- 4.2. Establishing an IT digital partners framework will allow IT to increase our IT change delivery capability and capacity, increase our efficiency and ensure that we can support service priorities.
- 4.3. The Digital Partners framework agreement will:
 - Allow the Bi-Borough IT service to respond more quickly, with better skilled resource, to council transformation demand.
 - Focus on building strategic relationships with delivery partners to deliver both specialist resources and digital outcomes.
 - Align value for money in running a more efficient service across both councils.
 - Facilitate easier procurement of a specialist technical resource on an 'episodic basis' For instance, the framework will allow supply of a specific skillset consultant when needed for 25 days over a 3-month period at a day rate of versus the current set-up involving hiring a temporary agency resource (TAC) for the full 3 months.
- 4.4. The tender aim is to sign-up 9 suppliers (3 large and 6 SME) who have high digital capability, capacity and flexibility, and experience of delivering end-to-end digital and IT programmes for local and central government. One SME will be picked for each of the following six lot technology areas:

Lot 1: Smart City technologies

Lot 2: Microsoft Dynamics CRM

Lot 3: User Centred Design and Digital delivery

Lot 4: Drupal based Web Technologies
Lot 5: Application Development and integration
Lot 6: Cyber Security

4.5. The Large suppliers (Lot7) must demonstrate capability in three of the Lot technology areas.

5. THE OPTIONS APPRAISAL

5.1. Soft market testing was carried out to understand the market and understand the best approach to resourcing of IT projects with both councils.

5.2. A total of 43 suppliers were invited to the supplier engagement and 38 suppliers attended a session. Following the soft market testing additional supplier survey was sent to suppliers to improve the insight to the delivery of our IT requirements.

5.3. An assessment was then carried out of the Councils current engagement options and potential option of an IT Digital Partner Framework. This assessment looked at the Pros and Cons, time of procurement/onboarding and cost structures of the different forms of engagement and identified the IT Digital Partner Framework as the best way forward.

5.4. Following this process an options appraisal was carried out to define the most appropriate procurement method.

5.5. The options were,

- “Do Nothing”,
- Framework
- Use of G Cloud 11,
- Framework OJEU
- Restricted OJEU Tender.

5.6. Restricted OJEU was approved by Procurement as the preferred procurement option.

6 THE TENDER PROCESS

6.1. This procurement process followed the restricted OJEU procedure as approved in the gate 2 “Procurement Strategy” paper.

6.2. Tender selection questionnaire (SQ) stage completed in January, reducing the number of bidders from 42 to 33 through to ITT stage. Further 4 bidders subsequently decided not to submit ITT proposal.

6.3. The ITT bids were received for 27 bidders across the SME lots 1-6 and 5 bidders for LSE lot 7. Two SME bidders went through to ITT stage with bids for 2 SME lots each.

- 6.4 The ITT supplier bid submission deadline was Thursday 18th February.
- 6.5 The ITT evaluation for Lots 1-6 were separated into two stages;
- Stage 1 tender response evaluations reducing the suppliers down to 3 for each Lot.
 - Stage 2 short listed supplier presentations, final technical moderations and commercials.

The evaluation completed on the 16th March.

- 6.6 The ITT evaluation for Lot 7 was a single stage of technical evaluations, presentations, moderations and commercials from the 5 suppliers' submissions. The evaluation completed on the 16th March.
- 6.7 Final scores and recommendations presented on the 25th March 2021.

7 TENDER SCORES

Based on evaluation scoring for technical (60%) and commercial (40%) these are the highest scoring bid submissions for the 7 lots.

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8 APPROVAL ROUTE & NEXT STEPS

Action	Responsible	Due date
Cabinet paper approved by WCC Lead member	Priya Javeri	April
Cabinet paper approved by RBKC Cabinet	Priya Javeri	April
Formal communication of preferred suppliers to the Bidding companies and Alcatel completed	Tai Gbadebo	April
Digital Partner Framework contracts award	Tai Gbadebo	May
Partners Onboarding	Brian Common	May

9. CONSULTATION AND COMMUNITY ENGAGEMENT

- 9.1. Notices have been posted on the Forthcoming Decisions lists for both the WCC and RBKC Councils in line with the requirement.

10. HUMAN RESOURCES AND EQUALITIES IMPLICATIONS

- 10.1. There are no Human Resource and equalities implications for this proposal.

11. LEGAL IMPLICATIONS

- 11.1. The Restricted Procedure advertised over OJEU to select the bidders for the various Lots of the Framework and the procurement process followed as brought out in the report, would be compliant with the Council's obligations under the Public Contracts Regulations 2015.
- 11.2. It is proposed to award zero value framework contracts for an initial 2 years with an option to extend by a further two years, to the selected providers for the different Lots. The actual order under these zero value Framework Lots would be placed on a need basis. The contract forms have been advertised with the tender documents and can be used
- 11.3. A 10 day Alcatel period would need to be observed prior to award.
- 11.4. Legal Implications by Babul Mukherjee, Senior Solicitor (Contracts), Shared Legal Services

12. FINANCIAL AND RESOURCES IMPLICATIONS

12.1. Budget/funding arrangements

The financial commitment under this contract is zero value, as explained in the executive summary and Section 3 of this report.

The Framework will be funded by the projects that will be commissioned for the suppliers to deliver, such funding is either part of the core IT budget or will be sought via the relevant process as projects are developed.

12.2. Savings, value for money

The selection exercise, ability to run mini competition will introduce a healthy competition and deliver value for money.

The financial pricing provided are baselined for 4 years without any options for increase due to RPI or CPI.

During mini competition, suppliers can reduce their framework SFIA rate cards and offer discounts.

Suppliers can accurately cost for projects and hit the ground running as a result of their understanding of the council's requirement.

All suppliers admitted on to the framework are paying London Living Wage and as such there will be no additional costs for London Living Wage.

Financial Implications Jane Newcome Interim Strategic Finance Manager
F&R/I&C (WCC) and Bev Winter Head of Finance – Ad, PH and CS (RBKC).

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Formal clearance requirements for all key decision reports

Cleared by Finance (Jane Newcome, WCC & Bev Winter, RBKC)

Cleared by Legal Services (Babul Mukherjee)