

PORTFOLIO HOLDER DECISION RECORD SHEET

Name of decision maker: Councillor Neil Harden

Portfolio: Performance Improvement and Transformation

Date of Portfolio Holder Decision: 30/08/2012

Title of Decision:

Actions arising from a review of ICT external advisor contracts, as follows:

- i. to amend the contract register for PH decision 063/11;**
- ii. appoint and extend contracts for the provision of external advisors until January 2013, subject to approval of the supplementary estimate set out in the financial implications section of this report;**
- iii. approve the delegation of authority for future contract awards with ICT;**
- iv. approve the procurement of a Data Centre hosting and co-location of DBC IT services in Bucks County Council Data Centres for the period of 1 year, to allow the Council to undertake a full OJEU process ; and**
- v. approve the purchase of 200 Citrix licenses to support future Flexible and Remote working across the Council.**

Decision made and reasons:

1. Retrospectively amend the contract register and PH decision (063/11) to show that the contract was awarded to SOLACE, not Foresight Consulting, as shown on the PH decision sheet. All other information is correct. This decision will allow procurement to amend the contract register and ensure the Council continues being transparent in the publication of expenditure with suppliers.
2. Section 3 of the Council's Procurement Standing Orders allows under special circumstances for the standing orders to be suspended. Due to the special circumstances the Council faces regarding system resilience and back-up of systems it is agreed to suspend the Council's Procurement Standing Orders and award a contract to Foresight Consulting. The contract is for 'Hardware Consultancy Services' as per the CPV code 72100000. The contract is for work to move to an externally hosted data centre, which will ensure the Council has on-going resilient and reliable back-up solutions and to enable the delivery of the Flexible and Remote working project and migration to the Public Service Quarter to their respective project timelines. The total contract value will be £99,500 for 199 days, between January 2012 and January 2013. The authorisation for the award of this contract is subject to approval of the supplementary estimate set out in the financial implications section of this report.
3. Section 3 of the Council's Procurement Standing Orders allows under special circumstances for the standing orders to be suspended.
Due to the special circumstances faced by the Council, in terms of:
 - a. the lack of capacity within the ICT service, at the time of the initial appointment, to resolve the business critical issues faced by the Council;
 - b. business continuity;
 - c. system resilience; and
 - d. the project timescales for migration to the partnership / capacity sharing arrangement with Aylesbury Vale District Council.

It is agreed to suspend the Council's Procurement Standing Orders and appoint Foresight Consulting from January 2012 until January 2013 for 'Software Consultant Services as per

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the CPV code 72200000. As the overall value of this contract is close to the OJEU threshold, it is advised that any additional contract costs will result in the Council being in breach, therefore the duration of the this contract must not surpass 216 days. The authorisation for the award of this contract is subject to approval of the supplementary estimate set out in the financial implications section of this report.

4. The Portfolio Holder authorises delegated authority for spend within ICT services to the Corporate Director of Performance, Improvement & Transformation and the Assistant Director of Strategy & Transformation, Community & Organisation of up to £150,000 (subject to the spend being within agreed budget) without the requirement to seek further Portfolio Holder decisions.
5. The Portfolio holder authorises the procurement of a Data Centre hosting and co-location of DBC IT services in Bucks County Council Data Centres for the period of 1 year, as part of the Data Centre Migration project. This is needed to support the Council's temporary accommodation move and longer term move to the new Public Service Quarter building in 2016. This Business Case set out with the project covers the costs of moving the current Civic Offices ICT Server Room to an external hosting centre, including the on-going costs for renting floor space and connecting to the new facility. This facility will provide a long-term 'cloud' location for DBC systems and enable the ICT partnership between DBC and AVDC to deliver medium-term efficiencies. By relocating to a 'cloud' hosting centre, moving the main body of staff to interim and then final premises will not require the building of a data centre at these locations. The funding for this project is included in the Council's current Capital Programme. During this one year period the Council will undertake a full OJEU process to procure longer term arrangements.
6. The Portfolio holder authorises the procurement of 200 Citrix licenses to support the roll out of Flexible and Remote working across the Council. The total cost of this is £30,000 per 100 licenses, for a period of 3 years - £60,000 in total. The Flexible and Remote working project is a key part of the Public Service Quarter programme. The new Citrix environment is the one chosen by the Council as the most effective in supporting remote working for staff and replaces the current Netilla system, which is no longer fit for purpose.

Reports considered: (here reference can be made to specific documents)

None

Officers/Councillors/Ward Councillors/Stakeholders Consulted:

Louise Miller – Corporate Director
Janice Milsom – Assistant Director
Ben Hosier – Group Manager
Mark Brookes – Group Manager
Caroline Souto – Senior Accountancy Assistant
Clive Bell – Legal Officer;

Deputy Monitoring Officer comments:

The authorisations sought for the two contracts to be awarded to Foresight Consulting are required to regularise

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existing contracts. It will be important to closely monitor the Software Consultancy Services contract to ensure that it does not surpass 216 days and exceed the OJEU threshold.

S151 Officer comments:

The estimated revenue impact of the proposals contained in this Portfolio Holder Decision for the financial year 2012/13 is:

	£
• Hardware Consultancy Services	90,500
• Software Consultancy Services	155,000
• External Hosting Services	<u>57,000</u>
	<u>302,500</u>

A review of the ICT service budget has been undertaken. A supplementary estimate will be required for these costs. A report is being prepared for Cabinet to recommend to Council the approval of the supplementary estimate to be financed from the Management of Change Reserve and the Technology Reserve. The Budget report in February indicated that it was likely that a supplementary estimate would be required in year subject to the outcome of the review of the ICT service and approach to new ways of working which was ongoing at the time of preparing the budget.

It is proposed the purchase of 200 Citrix licences is capitalised, the service has confirmed that this cost can be accommodated within the existing approved capital programme.

Implications:

Risk:

1. Failure to agree these proposals will result in the Council not adhering to the procurement guidelines, set out in Procurement Standing Orders; currently the contract award is not recorded correctly on the contract register.
2. Failure to appoint Foresight Consulting to deliver the remainder of the ICT improvement plan and migration phase to AVDC will risk the Council's rate of improvement, migration to the partnership with AVDC, plans to ensure the future resilience of the service and other key corporate projects such as Flexible and Remote Working and the Public Service Quarter.
3. Failure to proceed with external Data Hosting and the roll out of the Citrix environment will have a serious impact on the achievement of the forthcoming temporary building move for Council staff, the delivery of the flexible and remote working project and the Public Service Quarter programme.

Value for Money:

1. The Council did not have the internal capacity, or available skill set, to resolve the issues it faced at the end of 2011 and early 2012 and therefore had to externally appoint technical experts to identify and implement solutions to these issues. This has been a cost effective use of resources which is reflected in the progress made in the service since January 2012.
2. There are robust and documented reviews of the work produced by Foresight to ensure on-going value of money is delivered. The outputs from the assignments are closely

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monitored against agreed work and project plans. Weekly meetings are held with the Corporate Director and Assistant Director and weekly reports on progress are circulated to the Portfolio Holder Cllr Harden and the Cabinet Strategic Advisor Cllr Ayling.

3. The external data Hosting offers value for money in terms of costs and improvement in ICT resilience – as it negates the need to have an internally hosted system which would need to transfer as part of accommodation moves. Although over a 5 year period savings in excess of £500,000k are identified, this is not the main driver for the project. The project offers long term opportunities through a shared ICT service with AVDC and greater reliability and performance through the improved quality of the new core equipment.
4. Purchasing the Citrix licenses for Remote and Flexible working will enable the Council to both improve the efficiency of remote working as well as contribute to efficiencies in the costs of office based accommodation in the future.

Options Considered and reasons for rejection:

1. There is no option other than to amend the contract register; the register needs to accurately reflect the contract which had been let.
2. The Council could go back to the market to recruit an expert to deliver the projects outlined above but this will take time and impact on project milestones and any new post holder will take time to understand the current and future operating arrangements. It would not be possible to resource this post internally. In order to ensure the project plan is adhered to these options have been rejected.
3. The Council could continue to host its own data servers, but this would mean having to commit twice to build and move the data centre through the office move projects for which there is currently no budget.
4. Continue with the Netilla system, which has proved unreliable and not fit for purpose for future Council remote service delivery.

Portfolio Holders Signature:

Date:

Details of any interests declared and any dispensations given by the Standards Committee:
None

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Date Decision Record Sheet received from portfolio holder: 23/08/2012

Date Decision Published: 30/08/2012

Decision No: PH/056/12

Date of Expiry of Call-In Period: 06/09/2012

Date any Call-In received or decision implemented:

BACKGROUND

Details included in the information above.