

Notice of Non-key Executive Decision

Subject Heading:	Withdrawal of procurement for Dynamics 365 Microsoft Gold Partner
Decision Maker:	Gareth Nicholson Director of Partnerships and Organisational Development Simon Oliver Director of Technology and Innovation
Cabinet Member:	Councillor Paul Middleton
SLT Lead:	Gareth Nicholson Director of Partnerships and Organisational Development
Report Author and contact details:	Gareth Charles Programme Manager 01708434013 gareth.charles@havering.gov.uk
Policy context:	Delivering high quality and more efficient online processes and customer service.
Financial summary:	Neutral. Costs not incurred through this procurement have been spent on agency resource.
Relevant OSC:	Overview and Scrutiny Board
Is this decision exempt from being called-in?	Yes - The decision will be exempt from call in as it is a Non key Decision

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The subject matter of this report deals with the following Council Objectives

People - Things that matter for residents	
Place - A great place to live, work and enjoy	
Resources - A well run Council that delivers for People and Place	X

Part A – Report seeking decision

DETAIL OF THE DECISION REQUESTED AND RECOMMENDED ACTION

The Director of Partnerships and Organisational Development is recommended to agree to abandon the current procurement through the Crown Commercial Service Digital Outcomes and Specialists framework for a Microsoft Gold Partner to assist with the implementation of the Digital Platform CRM programme.

AUTHORITY UNDER WHICH DECISION IS MADE

3.3 Powers of Members of the Senior Leadership Team

Members of the Senior Leadership Team (SLT) have delegated authority to act as follows within the assigned service service/portfolio of responsibilities, subject to the general provisions and limitations set out in section 3.1 above.

General powers

- (a) To take any steps necessary for proper management and administration of allocated portfolios.

STATEMENT OF THE REASONS FOR THE DECISION

Officers commenced the procurement of a Microsoft Gold Partner on 1st July 2022 to assist with delivery of Phase 1 and Phase 2 of the programme scope.

The procurement was undertaken by running a two stage further competition using the Crown Commercial Services Digital Outcomes & Specialists 5 framework (CCS DOS) and led by Havering's procurement team to ensure full compliance with the Council's contracts procurement rules and the framework process.

Because of the urgent need to complete Phase 1 (migration from legacy platforms), the dependency with other corporate projects driving savings and change (Alloy implementation and waste contract procurement), and the expected duration of the procurement (six months) the programme board agreed that the programme team would continue to progress with delivery during the procurement activity with the intention of migrating delivery responsibility to the Gold Partner once on-boarded.

Due to unforeseen circumstances during the process (shortlisted suppliers withdrawing their bids and lower than anticipated bid values) additional due diligence was undertaken to ensure confidence in the remaining shortlisted bids. These additional activities extended the procurement by two months.

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During this time the programme team has made significant progress to the point where there would be a material difference between the scope of works tendered and the works now remaining.

As a result of the work carried out by the programme team they have achieved milestones set and there has been a transition of knowledge and skills to Havering staff, The programme manager has confirmed that by abandoning the procurement and continuing to deliver the project in-house will not result in a delay in migrating all required functionality from the legacy My Havering and CRM2011 platforms.

OTHER OPTIONS CONSIDERED AND REJECTED

- 1) Awarding a contract for the full value of the winning supplier bid would expose the Council to the commercial risk of then having to renegotiate the terms of delivery (reduced scope)..
- 2) Revising the scope of the tender and asking shortlisted bidders to resubmit is not practical given the time it would take to re-run the competition and the limited scope of works remaining.

PRE-DECISION CONSULTATION

NAME AND JOB TITLE OF STAFF MEMBER ADVISING THE DECISION-MAKER

Name: Gareth Charles

Designation: Programme Manager

Signature: *Gareth Charles*

Date: 21/3/2023

Part B - Assessment of implications and risks

LEGAL IMPLICATIONS AND RISKS

The body of this report sets out the change in circumstances since the contract was tendered. The Council is required to make arrangements to achieve best value in the exercise of its functions. Given the change of circumstances, officers are not confident that the current tender can achieve the requirements of the Local Government Acts 1972, 1999 and Regulation 67 of the Public Contract Regulations 2015 (PCR) without making substantial modifications or without the risk of challenge.

The Council has power to abandon the current procurement under the general power of competence contained in section 1 of the Localism Act 2011 which allows the Council to do anything that an individual may do subject to any statutory constraints on the Council's powers. None of the constraints on the Council's s.1 power are engaged by this decision.

Officers are required to notify bidders of the outcome of the procurement along with their reasons for abandoning it in accordance with Regulation 55(1) PCR.

FINANCIAL IMPLICATIONS AND RISKS

There are no specific financial implications relating to the decision to withdraw the procurement, other than the money saved from entering in to the contractual arrangement. The consequential implications pertain to the need to deliver the programme through the use of the existing programme team, supplemented as necessary through commissioned partners. The expectation is that these costs will be contained within the budget established for the programme.

HUMAN RESOURCES IMPLICATIONS AND RISKS (AND ACCOMMODATION IMPLICATIONS WHERE RELEVANT)

The Council does not currently have the skills or capacity in house for a project of this nature however it is understood that knowledge and skills transfer is being conducted by the current project through a mix of permanent staff seconded or undertaking work within the programme, and a full technical handover including training, documentation and signoff as part of every deliverable. There aren't any direct implications regarding staff reduction as part of this decision.

EQUALITIES AND SOCIAL INCLUSION IMPLICATIONS AND RISKS

The Public Sector Equality Duty (PSED) under section 149 of the Equality Act 2010 requires the Council, when exercising its functions, to have due regard to:

- The need to eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Equality Act 2010
- The need to advance equality of opportunity between persons who share protected characteristics and those who do not, and;

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- Foster good relations between those who have protected characteristics and those who do not.
- Note: 'Protected characteristics' are age, sex, race, disability, sexual orientation, marriage and civil partnerships, religion or belief, pregnancy and maternity and gender reassignment.

The Council is committed to all of the above in the provision, procurement and commissioning of its services, and the employment of its workforce. In addition, the Council is also committed to improving the quality of life and wellbeing for all Havering residents in respect of socio-economics and health determinants

ENVIRONMENTAL AND CLIMATE CHANGE IMPLICATIONS AND RISKS

There are no specific Environmental or Climate Change implications related to this decision.

BACKGROUND PAPERS

None

APPENDICIES

None

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Part C – Record of decision

I have made this executive decision in accordance with authority delegated to me by the Leader of the Council and in compliance with the requirements of the Constitution.

Decision

Proposal agreed

Details of decision maker

Signed *GD Nicholson*

Name: Gareth Nicholson

Cabinet Portfolio held:

CMT Member title: Director of Partnerships & Organisational Development

Head of Service title

Other manager title:

Date: 6/4/2023

Lodging this notice

The signed decision notice must be delivered to Democratic Services, in the Town Hall.

For use by Committee Administration

This notice was lodged with me on _____

Signed _____