



THE POLICE & CRIME COMMISSIONER FOR CLEVELAND

DECISION RECORD FORM

REQUEST: For PCC approval.

Title: Procurement Report for Oracle Managed Service Contract

Executive Summary:

In 2010 at the outset of the outsourced arrangement with Sopra Steria, part of the service improvement programme was the upgrading of the existing Origin HR system to Oracle E-Business Suite (EBS), an Enterprise Resource Planning (ERP) system for HR, iRecruitment, iLearning, all aspects of Finance and Procurement which incorporated our Capita Origin Duty Management System (DMS).

The existing EBS platform is now aged and will no longer be supported beyond December 2021. A business case was approved to invest and upgrade the Platform. In July 2020 SopraSteria under the outsourced arrangement will complete a technical change where the current system has been upgraded and re-platformed to the Oracle Cloud Infrastructure (OCI).

The upgraded platform will be administered and supported by SopraSteria until the 30th September 2020 at which point the responsibility novates back to the OPCC along with licences, support contracts and Hardware.

A new contract is required to be put in place in advance of the 30th September to ensure that the Oracle EBS and Capita System are fully licenced and supported.

A decision was made for the Police and Crime Commissioner for Cleveland to put in place a single Managed Service Contract to ensure that all aspects of the contract were included i.e. management of Oracle and Capita, support and maintenance and upgrades and patching. This approach will reduce the number of third party suppliers the PCC will manage and reduce risks in relation to licencing.

An Open Tender Procurement was the chosen as the most effective way to procure the services to enable a wide selection of bidders to apply. An open tender is a competitive exercise whereby a tender is advertised and all bidders whom express an interest can access the tender documentation and submit a bid.

The appendix to this decision record form contains full details of the procurement process and outcome.

Decision:

That the Police and Crime Commissioner note the Procurement process used to appoint a supplier.

The Police and Crime Commissioner approve the procurement methods investigated and recommendations put forward by the Evaluation Team to award the contract to Bidder 6.

OPCC Lead Officer: M Porter

Contractor Details (if applicable): SopraSteria

Implications:

Has consideration been taken of the following:	Yes	No	
Financial	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
Legal	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
Equality & Diversity	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
Human Rights	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
Sustainability	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
Risk	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
(if yes please provide further details below)			

Decision Required – Supporting Information

Financial Implications: (Must include comments of the PCC's Chief Finance Officer where the decision has financial implications)

The costs per annum for the managed service contract is £1,395,000 per annum.

The contract is for a period of 3 years with an option to extend for 2 years. Total 3 year cost is £4,185,000. The costs of this procurement exercise are included within the Project Fusion budget modelling that was undertaken when looking at the future options in relation to the current services provided by SopraSteria as part of the 10 year outsourcing contract. The costs of this contract are affordable within that modelling and therefore affordable to the organisation.

Legal Implications: (Must include comments of the Monitoring Officer where the decision has legal implication)

Having read this report and having considered such information as has been provided at the time of being asked to express this view, the Assistant Chief Executive is satisfied that this report does not ask the PCC to make a decision which would (or would be likely to) give rise to a contravention of the law.

Equality and Diversity Implications

TUPE Implications apply to this contract, however as Bidder 6 are the incumbent provider, TUPE will not be required.

Human Rights Implications

There are no Human Rights implications associated with the award of this contract.

Sustainability Implications

There are no sustainability implications associated with the award of this contract.

Risk Management Implications

There is a risk that that if the decision to award the contract is delayed this will impact on the transition and mobilisation plan identified by the Bidder 2.

OFFICER APPROVAL

Monitoring Officer

I have been consulted about the decision and confirm that financial, legal, and equalities advice has been taken into account. I am satisfied that this is an appropriate request to be submitted to the Police and Crime Commissioner.

Signed  Date 3/8/2020

Police and Crime Commissioner:

The above request HAS my approval.

Signed  Date 3/8/20



Report of the Chief Constable to the Police and Crime Commissioner for Cleveland

Status: For Decision

Procurement Report for the Oracle Managed Service Contract

1. Purpose

- 1.1 In 2010 at the outset of the out sourced arrangement with Sopra Steria, part of the service improvement programme was the upgrading of the existing Origin HR system to Oracle E-Business Suite (EBS), an Enterprise Resource Planning (ERP) system for HR, iRecruitment, iLearning, all aspects of Finance and Procurement which incorporated our Capita Origin Duty Management System (DMS).
- 1.2 The existing EBS platform is now aged and will no longer be supported beyond December 2021. A business case was approved to invest and upgrade the Platform. In July 2020 SopraSteria under the outsourced arrangement will complete a technical change where the current system has been upgraded and re-platformed to the Oracle Cloud Infrastructure (OCI).
- 1.3 The upgraded platform will be administered and supported by SopraSteria until the 30th September 2020 at which point the responsibility novates back to the OPCC along with licences, support contracts and Hardware.
- 1.4 A new contract is required to be put in place in advance of the 30th September to ensure that the Oracle EBS and Capita System are fully licenced and supported.
- 1.5 A decision was made for the Police and Crime Commissioner for Cleveland to put in place a single Managed Service Contract to ensure that all aspects of the contract were included i.e. management of Oracle and Capita, licences, support and maintenance and upgrades and patching. This approach will reduce the number of third party suppliers the PCC will manage and reduce risks in relation to licencing.

2. Recommendations

- 2.1 That the Police and Crime Commissioner note the Procurement process used to appoint a supplier.

- 2.2 The Police and Crime Commissioner approve the procurement methods investigated and recommendations put forward by the Evaluation Team to award the contract to Bidder 6.

3. Background

- 3.1 An Open Tender Procurement was chosen as the most effective way to procure the services to enable a wide selection of bidders to apply. An open tender is a competitive exercise whereby a tender is advertised and all bidders whom express an interest can access the tender documentation and submit a bid.
- 3.2 In April 2020, an advert was placed in the European Journal and the Bluelight E-tendering system inviting suppliers to bid for the service. An open tender was carried out using EU Supply as the tender portal, advertising the contract in Contract Finder and OJEU as per the Public Procurement Regulations 2015.
- 3.3 Sixty one suppliers expressed an interest in the tender, however of these seventeen cancelled their interest during the tender process. Bidders were given the opportunity to ask clarification questions throughout the process. All questions/answers were issued via the portal to ensure openness/transparency and fairness to all bidders.
- 3.4 Six suppliers submitted a response by the closing date and time of 12 noon on 26th June 2020.
- 3.5 In addition to a number of mandatory pass/fail questions such as mandatory/discretionary exclusion/financial viability/ Insurance etc., the evaluation criterion was 60% Quality and Service Delivery which included a presentation worth 10% and 40% Price. Although in the current financial climate price is a key factor, it was felt that a quality service was procured.
- 3.6 Bidders were advised within the tender document that a minimum of 30% on quality was required in order to be taken forward to Price Evaluation.
- 3.7 The Evaluation Team carried out the scoring independently and the scores were brought together and averaged. Once all the scores had been averaged, a meeting was held between the evaluation team to ensure a consensus on the final score for each question. On evaluation of the bids it became apparent that Bidder 3 and 4 had not submitted a compliant response to the tender. Bidders 1 and 5 had submitted a compliant tender, however even with full marks of 10% on the presentation, their quality scores would be below the 30% threshold and therefore only Bidder 2 and 6 were invited to present.

3.8 The evaluation team evaluated the bids in line with the evaluation criteria, as per the table below:

Pass/Fail							
Question	Pass/Fail	B1	B2	B3	B4	B5	B6
EU Supply Part 2	Pass/Fail	Pass	Pass	Pass	Pass	Pass	Pass
Eu Supply Part 3	Pass/Fail	Pass	Pass	Pass	Fail	Pass	Pass
Financial	Pass/Fail	Pass	Pass	Pass	Pass	Pass	Pass
Equality and Diversity	Pass/Fail	Pass	Fail	Fail	Fail	Fail	Pass
Ethical Procurement	Pass/Fail	Pass	Pass	Pass	Pass	Pass	Pass
Environmental	Pass/Fail	Pass	Pass	Pass	Fail	Pass	Pass
Health and Safety	Pass/Fail	Pass	Pass	Pass	Fail	Pass	Pass
Quality	60%	B1	B2	B3	B4	B5	B6
Specification	5%	2.00%	2.00%	0.50%	0.00%	1.50%	3.50%
Licence Management	5%	1.50%	2.00%	0.00%	0.00%	1.50%	3.50%
Support and Maintenance	5%	2.00%	3.00%	0.50%	0.00%	2.00%	3.00%
Relationship Management	5%	1.50%	2.00%	0.50%	0.00%	1.50%	3.50%
Added Value	5%	1.50%	2.00%	0.50%	0.00%	0.50%	3.50%
Experience and Team Resilience	5%	2.00%	3.50%	0.00%	0.00%	1.50%	3.00%
Contract Implementation & Exit	5%	1.50%	3.00%	0.50%	0.00%	1.50%	3.50%
Upgrade and Patching	5%	3.00%	3.00%	0.50%	0.00%	2.00%	3.50%
Monitoring and Alerts	5%	2.00%	2.00%	0.50%	0.00%	2.00%	3.50%
DPIA & Infosec	5%	2.00%	2.00%	0.50%	0.00%	0.50%	3.50%
Presentation	10%	0.00%	6.00%	0.00%	0.00%	0.00%	7.00%
Total Quality	60%	19.00%	30.50%	4.00%	0.00%	14.50%	41.00%
Price	40%	B1	B2	B3	B4	B5	B6
		#DIV/0!	40.00%	#DIV/0!	#DIV/0!	#DIV/0!	39.52%
Total Price	0.00%	#DIV/0!	40.00%	#DIV/0!	#DIV/0!	#DIV/0!	39.52%
Total	100%	B1	B2	B3	B4	B5	B5
		#DIV/0!	70.50%	#DIV/0!	#DIV/0!	#DIV/0!	80.52%

4. Implications

4.1 Finance

4.1.1 The costs per annum for the managed service contract is £1,395,000 per annum.

4.1.2 The contract is for a period of 3 years with an option to extend for 2 years. Total 3 year cost is £4,185,000.

4.1.3 Bidder 2 only submitted costs for their resource and did not include costs for the relationship required with Capita and Oracle.

4.1.4 In order to ensure fairness of costs, Bidder 6 shared that 17% of their costs were for Capita and 33% for Oracle, these costs less an element of margin (20%) were added to Bidder 2 costs as these would need to be paid by the PCC/Force directly.

4.1.2 The below table provides a comparison of across the two bidders:

Bidder	Annual Managed Service Charge	Ulift Cost – DMS (per annum)	Oracle Costs (per annum)	Call-out	Total for 3 Years
Bidder 2	£820,377.00	£189,720.00	£368,280.00	-	£4,135,131.00
Bidder 6	£1,395,000.00	£0.00	-	£0.00	£4,185,000.00

4.1.3 A licence audit will be conducted during the contract transition, any shortfalls in licences will need to be purchased by the PCC/Force prior to contract commencement.

4.1.4 Regular Audits will be conducted throughout the life of the contract to ensure licence numbers are correct to the number of users. The PCC will be required to purchase additional licences if the number of users increase due to increase in establishment.

4.2 Legal

Standard ICT Terms and Conditions have been used for this service, with some slight amendments specific to the service have been agreed and will be reviewed by the CC Legal Team.

4.3 Diversity & Equal Opportunities

TUPE Implications apply to this contract, however as Bidder 6 are the incumbent provider, TUPE will not be required.

4.4 Human Rights Act

There are no Human Rights implications associated with the award of this contract.

4.5 Sustainability

There are no sustainability implications associated with the award of this contract.

4.6 Risk

There is a risk that that if the decision to award the contract is delayed this will impact on the transition and mobilisation plan.

5. Conclusions

- 5.1 The Evaluation Team is confident that the procurement exercise has been conducted in a fair, comprehensive, thorough and transparent process.
- 5.2 The tender process has proven to deliver value for money therefore the evaluation team recommends that the PCC awards the contract for Oracle Managed Service to Bidder 6.

Richard Lewis
Chief Constable

Evaluation team:

Head of Procurement and Fleet
Finance Lead Business Partner
Head of ICT
Oracle System Admin