



## Chief Officer in consultation with Committee Chair delegated powers report

<b>Title</b>	<b>Review of Integra and CoreHR</b>
<b>Report of</b>	Executive Director of Strategy & Resources in consultation with the Chair of Policy and Resources
<b>Wards</b>	All
<b>Status</b>	Public
<b>Enclosures</b>	Appendix A – Procurement results
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### Summary

To confirm Barnet’s approach to appoint a contract for the provision of Service Implementer for the Oracle Software after completing a procurement via the Crown Commercial service.

### Officers Decision

- 1. Authorise contract award to the supplier for the system implementer services, to implement Oracle cloud software, be procured and implemented.**
- 2. The Executive Director of Strategy & Resources approves Barnet’s appointment of Evosys UK Ltd for a Service Implementer contract, as a result of a compliant procurement utilising the Crown Commercial Services mini competition through framework RM6193, Software Design and System Implementer Services**

## **1. Why this report is needed**

- 1.1 The Policy and Resources Committee resolved on 09 February 2022 to delegate authority to the Executive Director of Strategy & Resources to take all necessary actions to participate in and execute the successful procurement. A decision was made in September via an Officer Chair Delegated Power to appoint the Oracle Corporation to provide Barnet's Software and establish a programme team. This report seeks to appoint Evosys UK Ltd as our Service Implementer for that software. Their bid provides the best value for money and has a robust plan demonstrating how they meet our limited timeframe due to Integra 2, becoming unsupported at the end of March 2024.

## **2. Reasons for decision**

- 2.1 2.1 Following the Policy and Resources Committee that took place on 09 February 2022 extensive soft market engagement utilising specialist advice from Society for Innovation Technology and Modernisation (SOCITM) Advisory has been undertaken. This enabled an extensive requirement document to be produced, a fully priced business case and a preferred route for procurement. The business case considered three overarching options utilising the five-business case model. The options were: stay 'as is', upgrade the finance system to the replacement for Integra, Centros, leaving HR 'as is' or procure a new system.
- 2.2 At the 9 February 2022 meeting of the Policy & Resources Committee, the council indicated that the procurement of a new system was the preferred option based on engagement with other local authorities, system user requirements and soft market engagement to that date. The business case confirmed, although finely balanced, that this option still represents the best overall option for the council under the five cases model.
- 2.3 The Executive Director of Strategy & Resources in conjunction with the Chair of Policy & Resources Committee approved the Oracle Corporation to provide the software via the CCS RM6194, Back Office Software framework to Oracle Corporation.
- 2.4 To ensure the effective mobilisation in November 2022 a programme team establishment was also approved. As agreed in the February 2022 Policy and Resource Committee paper this will be funded through capital expenditure. Any prior costs to capitalisation will be funded by reserves to ensure there is no adverse impact on the 2022/3 revenue budget or medium-term financial strategy (MTFS) approved at Full Council in March 2022.

## **3. Alternative options considered and not recommended**

- 3.1 Do nothing - this option was discounted as we would need a specialist to implement such advanced software build and testing.
- 3.2 Direct Award- given the value of the contract this would not be appropriate under legislation.

## 4. Post decision implementation

- 4.1 The programme team will instruct HBPL to conclude the call off arrangements to finalise contract appointment, with the aim to mobilise in December 2022.

## 5. Implications of decision

### 5.1 Corporate Priorities and Performance

- 5.1.1 **The current corporate plan (Barnet Plan 2021-2025) was adopted in March 2021. Following the May 2022 elections, the council now has a new administration with a new corporate plan, consistent with the new administration's priorities will be delivered.**

### 5.2 Resources (Finance & Value for Money, Procurement, Staffing, IT, Property, Sustainability)

- 5.2.1 A compliant procurement exercise was undertaken through Crown Commercial Services framework RM6193, Software Design and Implementer Services to ensure Barnet accessed optimal value for money.
- 5.2.2 The programme team has now completed a procurement process based on comprehensive specifications produced. The procurement involved conduct of a mini competition through the CCS framework, RM6193, Software Design and Implementer Services.
- 5.2.3 The evaluation was conducted in accordance with Most Economically Advantageous Tender (MEAT) principles with the evaluation criteria of price, quality, and social value (see appendix A for results). The outcome of the evaluation identified Evosys. provided the strongest value for money and this report asks for authority to execute appointment and finalisation of contracts
- 5.2.4 Evosys (Mastek) price confirms value for money and the price submission is within the established budget envelope approved.
- 5.2.5 Any savings associated with retiring legacy systems will be presented as options in the 2025/26 MTFS.
- 5.2.6 The funding requirements after the receipt of contract will be included in the budget setting process.
- 5.2.7 A new system procurement and implementation meets the definition of capital expenditure. The council can capitalise the costs outlined in this report if it is the most economically advantageous method of funding the project once costs are fully known at procurement.
- 5.2.8 The proposed use of reserves, prior to capitalisation, ensures there is no adverse impact expected on the revenue budget for 2022/23 or the life of the MTFS presented to the Policy and Resources Committee in February 2022.
- 5.2.9 Any unexpected costs arising from the implementation that cause cost pressures, will at

first be constrained within existing resources allocated in the council's budget for the programme. This is to ensure scarce resources are not reallocated from elsewhere in the capital programme.

5.2.10 The use of a framework alongside the extensive soft-market testing undertaken by the project team mitigates a potential loss of value-for-money that could be achieved from a full market exercise.

### 5.3 Legal and Constitutional References

5.3.1 Under Barnet's Contract Procedure Rules (CPRs), due to the expected value of this procurement it was authorised to procure by the Policy and Resources Committee in February 2022 and authority was delegated to the Executive Director of Resources to take all necessary actions to participate in and execute the successful procurement.

5.3.2 The procurement process was conducted in a transparent, fair and proportionate and non-discriminatory way in compliance with the Public Contract Regulations (PCR) 2015 and the Council's CPRs. The Authority has utilised the CCS RM6193 Software Design and Implementation Services framework agreement ("**Framework Agreement**") for this procurement by way of a Call-Off Contract.

5.3.3 HB Public Law has reviewed and advised on the terms of the Call-Off Contract pursuant to the Framework Agreement and will be instructed to assist in conclusion of the Call-Off Contract for the software implementation services to be undertaken.

5.3.4 For the Council to implement and establish a contract with the provider, section 12 of the Contract procedural rules, within the Council's Constitution will be exercised. Therefore, table A of the CPRs is waived. This will enable continuity of service and enable the Council to proceed with the award of contact. This matter shall be reported to the Policy and Resources Committee on 13 December 2022 as part of the Business planning, MTFs and Budget Management.

### 5.4 Insight

5.4.1 The Authority utilised SOCITM advisory's extensive experience in this area to help inform the decision. This includes pricing for both service implementers and ongoing costs.

5.4.2 The Authority has extensively engaged with other Local Authorities to build a comprehensive lesson learnt log.

### 5.5 Social Value

5.5.1 Social value was considered in the procurement and Evosys provided a range of Barnet specific commitments. These will be further developed in mobilisation to ensure the maximum benefit for Barnet and its residents.

### 5.6 Risk Management

5.6.1 If the council does not commence a procurement or find a replacement, it risks having an unsupported Finance system. Meaning statutory changes wouldn't be possible and would be prone to security issues. This would impact the council's ability to effectively

manage its budgets and meet statutory requirements.

5.6.2 Risks to the project will be identified during the procurement and implementation stages, utilising the council's Risk Management Framework to identify, analyse and respond to any project risks.

## 5.7 Equalities and Diversity

5.7.1 The 2010 Equality Act outlines the provisions of the Public Sector Equalities Duty which requires Public Bodies to have due regard to the need to:

- eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Equality Act 2010;
- advance equality of opportunity between people from different groups;
- foster good relations between people from different groups.

5.7.2 The broad purpose of this duty is to integrate considerations of equality into day to day business and keep them under review in decision making, the design of policies and the delivery of services. As a result, this will be considered throughout the programme. The equalities and non-discrimination policies and procedures of tenderers will be evaluated during the tender process for the systems integrator to assess compliancy

## 5.8 Corporate Parenting

5.8.1 Not applicable to this decision.

## 5.9 Consultation and Engagement

5.9.1 Not applicable to this decision.

## 5.10 Environmental Impact

5.10.1 There are no direct environmental implications from noting the recommendations. Implementing the recommendations in the report will lead to a positive impact on the Council's carbon and ecology impact, or at least it is neutral.

## 6. Background papers

6.1 [Report to Policy and Resource Committee 9 February 2022 – “Review of Integra and CoreHR”. Office-Chairman Delegated powers decision \(moderngov.co.uk\)](#)

6.2 [Acceptance of this report can be found in the minutes: Agenda for Policy and Resources Committee on Wednesday 9th February, 2022, 7.00 pm | Barnet Council \(moderngov.co.uk\)](#)

**Decision taker's statement**

*I have the required powers to make the decision documented in this report. I am responsible for the report's content and am satisfied that all relevant advice has been sought in the preparation of this report and that it is compliant with the decision making framework of the organisation which includes Constitution, Scheme of Delegation, Budget and Policy Framework and Legal issues including Equalities obligations. The decision is compliant with the principles of decision making in Article 10 of the constitution.*

**Chair:**

**Signed**

**Barry Rawlings**

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**Date**

**10 November 2022**

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**Chief Officer:**

**Signed**

**Executive Director of Strategy & Resources**

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**Date**

**10 November 2022**

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## Appendix A – Procurement results

	<b>Evosys</b>	<b>Bidder 2</b>	<b>Bidder 3</b>
Price	35%	33.6%	18.05%
Confidence	5%	5%	5%
quality	43.3%	40%	38.33%
<b>Total</b>	<b>83.3%</b>	<b>78.6%</b>	<b>61.38%</b>