

Management report to Council

Agenda item 6.5

Contractual matters

Council

Pathway Maintenance and Support contract: No 3515

25 November 2014

Presenter: Colin Fairweather, Chief Information Officer

Purpose and background

1. The purpose of this report is to award a tender for the provision of support and maintenance for the Pathway application for five years.
2. The current support and maintenance for the Pathway application expires on 31 December 2014. A new contract will ensure continued support, services and improvement for this core Council application.
3. The tender was advertised in 'The Age' newspaper on Saturday 16 August 2014. One tender submission was received and it was compliant.
4. The weightings of the evaluation criteria were declared in the Invitation to Tender documents and were Cost (60 per cent), Experience and Capability (30 per cent), IT Solution and Work Plan (10 per cent), with a pre-qualification of Supplier Compliance Management.

Key issues

5. The response received by INFOR Global Solutions (ANZ) Pty Ltd was of a high quality and met the technical specification. The quality of the service previously provided by INFOR Global Solutions (ANZ) Pty Ltd met our contracted agreement.
6. The cost to Council of appointing the recommended tenderer is \$1,976,995.54 over five years.

Recommendation from management

7. That Council awards the contract for the provision of Pathway Maintenance and Support to INFOR Global Solutions (ANZ) Pty Ltd for a term of five years commencing 1 January 2015 for a total contract price of \$1,976,995.54.

Attachments:

1. Supporting Attachment

Supporting Attachment**Legal**

- Pursuant to section 186 of the *Local Government Act 1989*, before a Council enters into a contract for the purchase of goods or services to the value of \$150,000 or more (levels increased by Order in Council dated 7 August 2008), the Council must give public notice of the purpose of the contract and invite tenders from persons wishing to undertake the contract.

Finance

- The cost to Council of appointing the recommended tenderer is \$1,976,995.54 over five years. The year one cost is \$365,006.98. The first 6 months of this cost has been budgeted for in the Business Information Service's 2014-15 Operating Budget.

Tender Evaluation Summary

- The membership of the tender evaluation panel was as follows.

Title and / or company	Generalist or Nominated Speciality	Full / Advisory Member
Procurement Specialist – City of Melbourne	General	Full
IT Program Manager – City of Melbourne	General	Full
Team Leader, Application Systems – City of Melbourne	Technical	Full
Project Manager – City of Melbourne	General	Advisory

- The tender evaluation panel scored the tender submission as follows.

Summary of final scoring				
Company	Price	Financial score	Non-financial	Total score
INFOR Global Solutions (ANZ) Pty Ltd	\$1,976,995.54	48.0*	32.0	80.0

*The financial score was out of a maximum of 60. Objectively the panel felt the cost was good but there was room for improvement, thus the score of 48 was awarded.

Conflict of interest

- No member of Council staff, or other person engaged under a contract, involved in advising on or preparing this report has declared a direct or indirect interest in relation to the matter of the report.

Stakeholder consultation

6. Consultation with external stakeholders was not undertaken as the support and maintenance for Pathway is for an internal Council application.

Relation to Council policy

7. This tender process and recommendations have been managed in accordance with Council policies. Strong consideration was given to the outcomes and priorities contained within Council Plan 2013-17, in particular ensuring Resources are Managed Well.

Corporate social responsibility

8. The tender process included emphasis on sustainability and corporate social responsibility and the tender required that respondents provide information to demonstrate that their organisation met key criteria in this area. INFOR Global Solutions (ANZ) Pty published information on their Corporate Citizenship programs which meet these criteria,