

Report of: Portfolio Planning Team Leader

Report to: Chief Information Officer

Date: 9th March 2015

Subject: Report to seek approval to waive Contract Procedure Rules 8.1 and 8.2 and enter into contract with Hydra Management Limited for the provision of support and maintenance in 2015/16 for Hydra Manager/Personal planning tool.

Are specific electoral Wards affected? If relevant, name(s) of Ward(s):	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Is the decision eligible for Call-In?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number: Appendix number:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

Summary of main issues

- Hydra Manager and Hydra Personal are tools employed by ICT to record and plan work. The information collected in the system is integral to ICTs recharge processes for project work undertaken.
- The Hydra contract expired in August 2011. The support and maintenance has continued to roll forward on a year by year basis. Hydra Management Limited deal with any issues that the ICT Portfolio Planning Team is unable to resolve.
- An ICT Services Planning Review has taken place which has identified a number of issues with the way planning currently takes place. A key recommendation for the review was to pilot a new way of planning with key teams within ICT. Following findings of the piloted approach the ICT Portfolio Planning Team will be revisiting the requirements for

any planning tool. A tender exercise will be initiated to ensure that we have the best product to meet our needs that is value for money.

4. There is a requirement to continue the support arrangements in place until the tender exercise can be carried out post pilot.

Recommendations

5. The Chief Information Officer is recommended to approve the waiver of Contract Procedure Rules 8.1 and 8.2 and enter into a 12 month contract, with an option to extend for a further 12 months, in association with Hydra Management Limited for the provision of Hydra Manager and Hydra Personal support.

6. Purpose of this report

- 1.1 This report seeks approval from the Chief Information Officer to waive Contract Procedure Rules 8.1 and 8.2 and enter into a contract with Hydra Management Limited for the provision of Hydra Manager & Hydra Personal support. The charge for the ongoing support and maintenance is £18,357.79.

2 Background information

- 2.1 The council currently has a contract with Hydra Management Limited to provide diagnosis and correction of software malfunctions, investigation of operational problems, work around options, remedial actions, investigation and resolution of data corruption.
- 2.2 Until the pilot is completed we will not be in a position to fully understand any revisions to our planning requirements. Therefore there is a dependency on the pilot outcomes for any tender exercise. The pilot is scheduled to be completed in September 2015. At this point SLT will be approached to make a decision on if the piloted approach should be continued and a review of the planning tool and subsequent tender is required.
- 2.3 An ICT Services Planning Review has taken place and a number of recommendations have been put forward including a review of the Hydra planning tool and procurement exercise following the planning pilot. In the meantime continued maintenance and support arrangements with Hydra Management Limited need to be maintained. The existing maintenance agreement expires on the 31/03/2015.

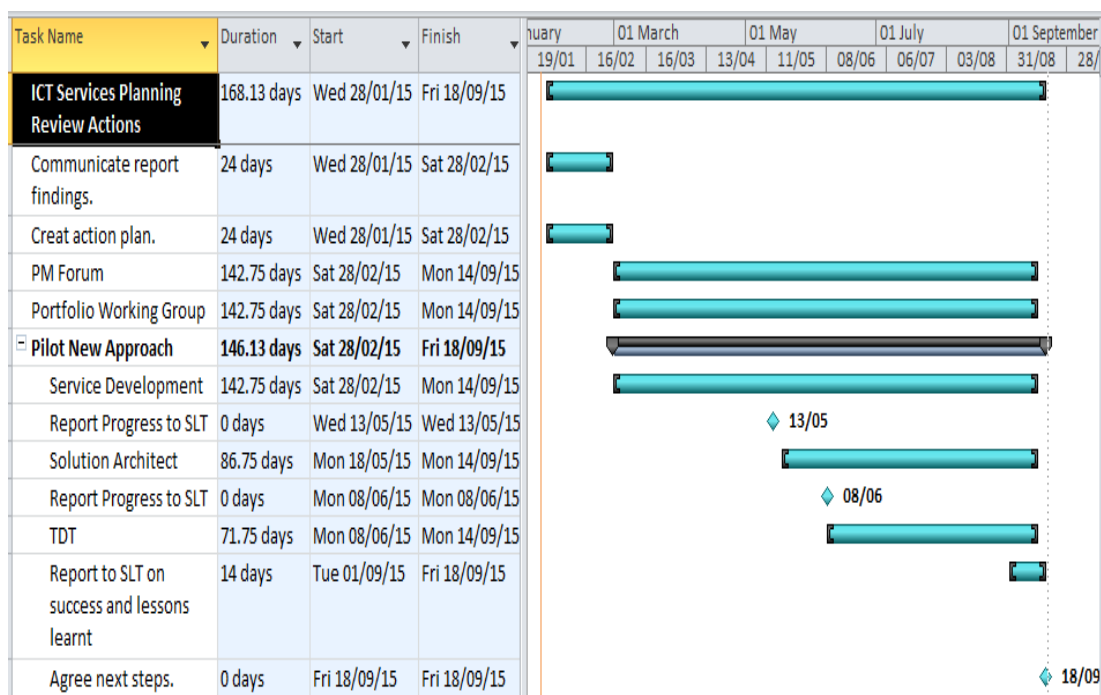
3 Main issues

Reason for Contracts Procedure Rules Waiver

- 3.1 ICT Services need to continue using Hydra Management Limited until a review and any subsequent tender can take place. The system is an integral part of the ICT commissioning and recharge process and also provides a mechanism for monitoring work.

The maintenance agreement is required as the Hydra Management Limited support team help resolve queries that the Portfolio Planning Team are unable to deal with.

The review of the system will not take place until the current pilot is complete as it is anticipated that some of the requirements will come from this process. The current timescales are for pilot completion in September 2015 (see Gantt chart below for planned activities).



4 Options

- 4.1 **Option 1:** Do nothing – this is not a viable option as the system will be unsupported.
- 4.2 **Option 2:** Review the planning tool and undertake a procurement exercise to ensure that the product we are using meets our requirements and is best value for money. This is not considered a viable option at this point as we do not have a clear view of our requirements until the completion of the planning pilot that is underway.
- 4.3 **Option 3:** Approve the waiver and continue with the maintenance and support contract with Hydra Management Limited. Following completion of the planning pilot we will provide information about any changes to our requirements so we will then be in a position to assess if the tool meets our needs and is best value for money. This will result in a tender exercise.

4 Corporate Considerations

4.1 Consultation and Engagement

- 4.1.1 The Portfolio Manager and Head of Service Delivery have been consulted and they both agree that the current support supplied by Hydra Management Limited for Hydra Manager and Hydra Personal need to continue until the pilot has been completed and a subsequent review and tender exercise can be carried out.

4.2 Equality and Diversity / Cohesion and Integration

- 4.2.1 There are no Equality and Diversity / Cohesion and Integration issues associated with this decision.

4.3 Council Policies and City Priorities

4.3.1 Hydra Manager and Hydra Personal are a key system for recharging work carried out by ICT for the Directorates.

4.4 Resources and Value for Money

4.4.1 The support and maintenance has been budgeted and paid for from revenue for a number of years. Following the results of the pilot the planning and resources team will be revisiting requirements to ensure that the product currently employed is fit for purpose and best value for money. It is expected that a tender exercise will be carried out before the close of 2015/16.

4.5 Legal Implications, Access to Information and Call In

4.5.1 The value of the work is below the threshold at which the Public Contract Regulations apply. The decision is not subject to call in.

4.6 Risk Management

4.6.1 Failure to approve the waiver and enter into contract with Hydra Management Limited will potentially mean that ICT services are unable to log and monitor work undertaken and will ultimately fail to recharge the Directorates for the project work undertaken on their behalf.

5 Conclusions

5.1 The only valid course of action is **Option 3**: Approve the waiver and continue with the maintenance and support contract with Hydra Management Limited. Following completion of the planning pilot we will provide information about any changes to our requirements so we will then be in a position to assess if the tool meets our needs and is best value for money. This will result in a competitive tender exercise.

6 Recommendations

6.1 The Chief Information Officer of ICT is recommended to approve the waiver of Contracts Procedure Rules No 8.1 and 8.2 – Intermediate value procurements and award a contract to Hydra Management Limited in the sum of £18,357.79. The contract shall commence on the 01/04/2015 and expire on the 31/03/2016, with the option to extend for a period of 12 months, such option not to be taken up more than once.

7 Background documents

7.1 None