

Report of **Head of Fleet Services**

Report to **Chief Officer Civic Enterprise Leeds**

Date: **May 2016**

Subject: Approval to waiver contract procedure rules 8.1 and 8.2 and award a contract to Civica Ltd for support and maintenance of the Fleet Management System for a period of 12 months.

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

The existing fleet management IT software support and maintenance contract (Tranman supplied by Civica, contract LCC502140) expires on 30th September 2016. This will leave Fleet Services in a vulnerable position without any formal contracted support from the supplier Civica Tranman.

The current contract was tendered for back in 2003 and expired in 2008. An ongoing yearly maintenance SLA been put in place annually since 2008

Only Civica offer support and maintenance on their product (so it cannot be offered to other suppliers)

The current contract has now been in place for 12 years and after a market appraisal of the system by ICT it has been decided to carry out a procurement exercise to ensure the council obtains best value and a product which meets current requirements.

A Waiver is required to provide sufficient time to prepare a business case, gather business requirements and carry out a procurement exercise for the provision of a Fleet management system.

Recommendations

The Head of Fleet Services is requesting that the Chief Officer of Civic Enterprise Leeds gives approval to Waive CPR 8.1 and 8.2 and renew the maintenance contract for 12 months.

Purpose of this report

The purpose of this report is to seek approval to enter into a 12 month contract with Civic without going through a competitive tender process. As the value of the contract is £15,000 which is between £10,000 and £100,000 it will be necessary to waive CPR 8.1 and 8.2.

1 Background information

- 1.1 Tranman Fleet Management Software was procured in 2003 and is the main line of business application used by fleet services, It supports the entire workshop and much of the back office processes.
- 1.2 The implementation of Tranman has allowed the introduction of significantly improved processes within the Agency that has:
 - Improved general performance / productivity
 - Enabled the delivery of cost savings
 - Provided timely, accurate management information
 - Enabled separate costs to be identified from maintenance to accident repair
 - Reduced vehicle downtime
 - Provided the customer 'on line' status reports
 - Offered the customer 'online' access to vehicle inventory, maintenance scheduling and on site status
- 1.3 The Tranman system was purchased and introduced to Fleet Services York Road in 2003 after an initial settling in period, the system has proved to be more than adequate in providing a service to Fleet. The system is well 'bedded' in with staff and the many services functions.
- 1.4 The system has met the objective set out in the original business case:
 - Improving performance & productivity
 - Reducing vehicle downtime
 - Providing the customer 'online' status reports
 - Offering the customer 'online' access to vehicle inventory, maintenance scheduling and on site status.
- 1.5 The current costs are £15000 per annum, which are the annual maintenance costs paid to Civica.
- 1.6 The contract was due to end July 2008 and was extended further (annually)

- 1.7 A soft market test exercise was undertaken with very limited physical responses but high level of phone calls from suppliers were received to say they will be interested in tendering for the System

2 Main issues

- 2.1 The current support and maintenance contract expires on 30th September 2016. The waiver of the CPR rules 8.1 & 8.2 will enable Fleet Services to extend the contract for 12 months ensuring that the service have supplier support of their main business application.
- 2.2 Fleet Services and ICT are commencing with a procurement process for the supply of a new system. This would be a full OJEU tender which is likely to incur a substantial cost in terms of purchase price and officer time producing tender documentation and evaluating the bids.

3 Consequences if the proposed action is not approved

- 3.1 Should the Waiver not be approved this will leave Fleet Services in a vulnerable position without any formal contracted support from the supplier.

4 Corporate Considerations

4.1 Consultation and Engagement

- 4.1.1 No consultation is required, however the Procurement Unit are aware of the current situation

4.2 Equality and Diversity / Cohesion and Integration

- 4.2.1 An equality, diversity and cohesion screening document has been undertaken and it is considered that the content of this report or the recommendations made will have any impact on any specific group or individuals.

4.3 Council Policies and City Priorities

- 4.3.1 It is important that this contract is extended for 12 months within the policies of Leeds City Council to ensure openness, transparency and fairness. As such this extension will be awarded in line with Leeds City Council's policies and procedures.
- 4.3.2 The proposals within this report will contribute to the continued delivery of fleet services requirements for Leeds City Council's policies and procedures:
- Vision for Leeds
 - Best Council Plan
 - Sustainable Economy and Culture City Priority Plan

4.4 Resources and Value for Money

- 4.4.1 The waiver will allow the continued use of the Tranman system which has proved to be more than adequate in providing a service to fleet. The system is well 'bedded' in with staff and the many service functions.

4.5 Legal implications, access to information and call in

- 4.5.1 There are no legal or access to information implications, Call in does not apply as this is a Significant Operation Decision.

4.6 Risk Management

- 4.6.1 It is possible to commence a procurement process for the supply of a new system. This would be a full OJEU tender which is likely to incur a substantial cost in terms of purchase and officer time producing tender documentation and evaluating the bids, If the contract is not extended now it will expire before the full procurement exercise can be completed.

5 Conclusions

- 5.1 Fleet Services to continue using Civica Tranman as the preferred and cost effective system until September 2017
- 5.2 Fleet Services have undertaken a soft market test with limited results and are now to undertake a full procurement exercise due to procurement regulations.

6 Recommendations

- 6.1 The Chief Officer of Civic Enterprise Leeds is recommended to approve the waiver of the following Contracts Procedure Rule(s) 8.1 and 8.2 – Intermediate value procurements and award a contract to Tranman in the sum of £15,000

The contract shall commence on 1st October 2016 and expire on 30th September 2017.