

**Report of: Ripple Programme Director**

**Report to: Chief Digital Officer**

**Date: 24<sup>th</sup> May 2016**

**Subject: Award of contract to Lockheed Martin for the provision of Development Sprints to further develop the Integrated Care Record Platform.**

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

1. The Chief Digital Officer approved the commencement of a mini competition through the LCCITS140027 - ICT Services Framework (9VKD-DN45VB) to establish a contract for the provision of Development Sprints and Code Custodian Services to further develop the Integrated Care Record Platform (D43356)
2. Following the conclusion of the evaluation stage of the procurement, this report seeks approval to award a contract to Lockheed Martin for the delivery of 5 x 10 day development sprints with the option of a further series of 5 x 10 day development sprints.
3. The value of the initial set of development sprints will be £77,020.00. There may be additional spend on Code Custodianship and testing services should it be required at the rates provided in the Lockheed Martin pricing schedule response.

### Recommendations

**The Chief Digital Officer is recommended to approve the award of a contract to Lockheed Martin for the provision of Development Sprints (5 x 10 days) to further develop the Integrated Care Record Platform with the option to extend for the delivery of a further series of development sprints (5 x 10 days). The Contract will also include a call off option for Code Custodian Services should they be required.**

## **1. Purpose of this report**

1.1. This report details the outcome of the procurement the mini competition exercise undertaken to appoint a contract for a series of development sprints to further develop the Integrated Care Record Platform.

## **2. Background information**

2.1. The Chief Digital Officer approved the commencement of a mini competition through the LCCITS140027 - ICT Services Framework (9VKD-DN45VB) to establish a contract for the provision of Development Sprints and Code Custodian Services to further develop the Integrated Care Record Platform (D43356)

2.2. A mini competition exercise was carried out via the Councils procurement portal Yortender on 3<sup>rd</sup> May 2016 inviting the 3 framework suppliers (Fujitsu Services Ltd, Methods Advisory Limited and Lockheed Martin) to submit tenders.

2.3. Tenders were received from 2 companies (Methods Advisory Limited and Lockheed Martin) as detailed in Appendix A.

2.4. One company (Fujitsu Services Ltd) opted not to submit a tender.

2.5. The following evaluation panel was established to evaluate responses from the suppliers :

- Dr. Tony Shannon, Director, Ripple Programme
- Phil Barrett, Ripple Programme Manager

## **3. Main Considerations and Reasons for Contract Award**

3.1. Framework suppliers were required to respond to 4 method statement questions detailing how they would meet the Councils requirements and to complete a pricing schedule detailing a fixed price to deliver a series of development sprints.

3.2. Responses were evaluated on a combination of price and quality (40% Price / 60% Quality). The full tender evaluation criteria can be found at Appendix B.

3.3. The contract is to be awarded to Lockheed Martin as they scored the highest combined price/quality score.

3.4. The full details of tender scores can be found at Appendix A.

## **4. Corporate Considerations**

### **4.1 Consultation and Engagement**

4.1.1 No consultation has taken place with key stakeholders as to whether the contract should be awarded to the winning bidder or not as this is determined by the evaluation of the tender received.

## **4.2 Equality and Diversity / Cohesion and Integration**

4.2.1 This award has no direct impact on Equality and Diversity / Cohesion and Integration.

## **4.3 Council Policies and City Priorities**

4.3.1 This action contributes to the Leeds City Best Council Plan 2015-2020 by supporting;

Promoting Sustainable & Inclusive Economic Growth- in establishing an open platform for health, care and indeed potentially local government, the Ripple programme is building out key infrastructure, as well as helping with the education and training needs in the city to move Leeds towards a 21<sup>st</sup> Century open platform.

4.3.2 Becoming a more efficient & enterprising council – the development of an open platform to support health and care in the city of Leeds offers the potential of a reusable platform for several key purposes inc its use to support #PlaceAsAPlatform. This platform technology has the potential to support more efficient service delivery (e.g. Person Held Record) as well as symbolising Leeds leadership as a thought leading and enterprising council, key to positively disrupt the market.

## **4.4 Resources and Value for Money**

4.4.1 The resources required here are mainly in skilled human resources in software development, to support the open health and care platform building work that the Ripple programme is overseeing. As the requisite capacity and capability are not available in the council, it has been necessary to outsource this work. However the work is being done on an open source basis so that the resulting Ripple platform could/should be reused by a variety of stakeholders now and in the future, thereby aiming to secure maximal value for money for Leeds City Council in this regard.

## **4.5 Legal Implications, Access to Information and Call In**

4.5.1 This procurement was conducted as a mini competition exercise through the LCCITS140027 - ICT Services Framework (9VKD-DN45VB) which was conducted under the Open Procedure of the Public Contract Regulations 2015.

4.5.2 The decision to commence this procurement was a significant operational decision. This decision to award the contract is a significant operational decision and is not subject to call-in.

## **4.6 Risk Management**

4.6.1 A contract management plan will be put in place following contract award and risks under the contract will be included as part of the contract management arrangements.

## **5 Recommendations**

**The Chief Digital Officer is recommended to approve the award of a contract to Lockheed Martin for the provision of Development Sprints (5 x 10 days) to further develop the Integrated Care Record Platform with the option to extend for the delivery of a further series of development sprints (5 x 10 days). The Contract will also include a call off option for Code Custodian Services should they be required.**

**6 Background documents**

None

## APPENDIX A – Tender Scores

Mini Competition			1	2
No.	Description.	Weighting	Methods Advisory	Lockheed Martin
Q1	Please describe the approach and method you would adopt to deliver open source, user centred, Agile software developments to further mature the platform.	18.00%	12.60%	12.60%
Q2	Please describe your approach to adopting and following the technologies and standards used within the platform.	18.00%	14.40%	12.60%
Q3	Please describe your approach to delivery code custodian services and how you will ensure a quality and stable code base from multiple code contributors.	18.00%	16.20%	16.20%
Q4	The Ripple team within Leeds City Council are for the most part working virtually, please describe how a lean team would interact and communicate effectively throughout the delivery lifecycle to build strong working relationships and transparency.	6.00%	4.80%	4.20%
<b>Quality Sub-total</b>		<b>60.00%</b>	<b>48.00%</b>	<b>45.60%</b>
<b>Price</b>		40.00%	30.33%	40.00%
<b>TOTAL</b>		<b>100.00%</b>	<b>78.33%</b>	<b>85.60%</b>

## APPENDIX B – Tender Evaluation Criteria

### 1.0 Introduction

- 1.1 This section describes the method the Council will use to evaluate your tender submission, which must contain sufficient information to demonstrate how you will meet the requirements of the Service Specification. It is important to ensure that any information you submit is relevant to the Quality Criteria detailed below. Information which is not relevant will not be taken into account.

### 2.0 Evaluation Method

- 2.1 Your tender submissions will be evaluated on both quality and price. A score will be awarded for each element of the evaluation criteria. The maximum marks available for price will 40%. The maximum marks available for quality will be 60%. The quality evaluation criteria that will be used to assess the compliance of offers to the Service Specification are detailed in item 3.0.
- 2.2 Your tender submission will be assessed and scored by an evaluation panel comprised of staff with the relevant experience to assess the technical, operational and commercial aspects of your submission. The panel members may include representatives of other public sector partners.
- 2.3 In addition to the evaluation panel the Council may consult, where appropriate, with other employees of the Council or other public service partners. To enable this consultative process it will be necessary to share tenderers' responses with Consultees. They may read and review relevant aspects of the submission and provide comments to the evaluation panel in the form of strengths and weaknesses to be taken into account by scorers. Consultees may also attend tenderer's presentations to provide additional feedback to the evaluation panel. Consultees do not score the tender submissions.
- 2.4 The quality evaluation criteria that will be used to assess the compliance of offers to the Statement of Requirements and Quality Response are detailed in item 3.0.

### 3.0 Quality Criteria

- 3.1 Of the 60% available for quality, each of the following questions has been weighted in accordance with its relative importance to the requirements.

Question	Weighting
Q1	30% of 60% = 18%
Q2	30% of 60% = 18%
Q3	30% of 60% = 18%
Q4	10% of 60% = 6%

3.2 The answer to each marked criterion will be scored by the evaluation panel using the following criteria:

Score	Interpretation
10	<b>Outstanding:</b> The response covers all elements of the criterion, and associated specified contract requirements and standards; and with a high level of relevant and detailed information, backed up with clear evidence; and demonstrates a robust and coherent understanding of the council's requirements; and with no issues, weaknesses or omissions.
9	<b>Excellent:</b> The response covers all elements of the criterion, and associated specified contract requirements and standards; and with relevant and detailed information, backed up with clear evidence; but with limited minor issues, weaknesses or omissions in the information/evidence only.
8	<b>Very good:</b> The response covers all key elements and almost all of the other elements of the criterion, and associated specified contract requirements and standards; and with relevant and detailed information, backed up with clear evidence; with a few minor issues, weaknesses, or omissions in the information/evidence.
7	<b>Good:</b> The response covers all key elements and the majority of the other elements of the criterion, and associated specified contract requirements and standards; and with relevant information, backed up with evidence, but lacks detail in some areas; some minor issues, weaknesses, or omissions in some areas of information/evidence.
6	<b>Better than satisfactory:</b> The response addresses all key elements of the criterion, and associated specified contract requirements and standards; but is not fully detailed or fully backed up with clear evidence in some areas; a number of minor and/or one or two more significant issues, weaknesses, or omissions in some areas.
5	<b>Satisfactory:</b> The response addresses all key elements of the criterion, and associated specified contract requirements and standards; but is not fully detailed or fully backed up with clear evidence in some areas; with a large number of minor, and/or a number of significant weaknesses, issues or omissions in the detail/evidence.
4	<b>Less than satisfactory:</b> The response has some weaknesses, issues or omissions, lacking detail, clarity and/or evidence with regard to at least one key element of the criterion, and associated specified contract requirements and standards with respect to this criterion.
3	<b>Weak:</b> The response has some weaknesses, issues or omissions, lacking detail, clarity and/or evidence with regard to several key elements of the criterion, and associated specified contract requirements and standards.
2	<b>Poor:</b> The response has material weaknesses, issues or omissions, lacking detail, clarity and/or evidence with regard to many key elements of the criterion, and associated specified contract requirements and standards.
1	<b>Very poor:</b> The response does not meet the criterion, or does not include sufficient information or clarity or evidence or information in support, to determine whether the solution meets the council's requirements or standards.

Score	Interpretation
0	<b>Unacceptable:</b> Failed to provide a response, or the response provided is wholly inconsistent with the council's specified contract requirements and standards with respect to this criterion.

- 3.3 Once the final score for each question has been determined, the appropriate weighting will be applied.
- 3.4 Tenderers may be required to participate in a telephone conference call with the Council to discuss aspects of their proposal with the evaluation panel. Based upon the conference call the evaluation panel will review the tender submissions and determine the extent to which the requirements have been met. The scores which were awarded to each requirement in 3.2 (above) may be adjusted up or down as a result of the conference call. In particular, if a tenderer has made claims in the written submission which cannot be adequately demonstrated during the presentation, this may result in a reduced score for that requirement.

Where requested, the Council may agree to tenderers attending the Council's premises as an alternative to a telephone conference call, however, please note that this will not put the tenderer in any more favourable a position than those that attend by conference call only.

#### 4.0 Price Criteria –

- 4.1 40% of the overall score available will be used to evaluate the Price element of tender submissions.
- 4.2 The price for evaluation purposes will be the total price tendered as detailed within the Schedule of Prices
- 4.3 The lowest cost will be awarded the full 40% of tender marks available for price. For the remaining bids, the difference between that cost and the lowest cost will be calculated. This difference will be expressed as a percentage of the lowest cost and that percentage difference will then be deducted from the available marks for cost. This means in practice that a bid that is 50% higher than the lowest bid will only score 50% of the available marks; a bid that is double the lowest bid (i.e. a difference of 100%) will not score any marks; a negative mark will not be awarded, i.e. any bid that is more than double the lowest cost will score zero.

##### Example Price Evaluation

Cost % of total marks **40%**

Price	£20,000	£22,500	£25,000	£40,000	£45,000
difference to lowest price	£0	£2,500	£5,000	£20,000	£25,000
% Difference	0%	13%	25%	100%	125%
% Points to deduct	0%	5%	10%	40%	50%
<b>Price Score</b>	<b>40.0%</b>	<b>35.0%</b>	<b>30.0%</b>	<b>0.0%</b>	<b>0.0%</b>

#### 5.0 Award of Contract

- 5.1 The evaluation panel will recommend acceptance of the tender scoring the highest combined score of quality and price. Where two or more tenders equally achieve the highest score then all tenderers will be invited to resubmit their pricing schedule for re-evaluation. Should a single



tender still not achieve the highest combined score of quality and price the tender to be recommended will be decided by the drawing of lots.

- 5.2 The award of contract is subject to final approval from the relevant Chief Officer and the Council's governance processes.