

Report of the Identity and Monitoring Manager, Team Leader FIM / AD / System Centre

Report to Chief Digital and Information Officer

Date: 30th March 2020

Subject: Waiver of Contract Procedure Rules (CPRs) 8.1 and 8.2 and approval to enter into a contract with ThirdSpace Ltd, for managed and support services of Forefront Identity Management (FIM) solution.

Are specific electoral wards affected?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
If yes, name(s) of ward(s):	
Has consultation been carried out?	<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
Will the decision be open for call-in?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
If relevant, access to information procedure rule number:	
Appendix number:	

Summary

1. Main issues

- The Council is currently in a contract with ThirdSpace Ltd who provide support for our Identity management solution. We have been in contract with ThirdSpace since 2013 when they were awarded a contract for design and implementation through a framework that is no longer available.
- We have been renewing support and maintenance since the original contract expired on a year by year basis.
- There is a continuing need for a support contract for our Identity Management solution which provides key underlying infrastructure affecting all council services. As it is no longer possible to renew the support contract through a framework agreement, the best option currently available is a Direct Award, under Chief Officer Approval.
- Over the development, implementation and support of our solution, ThirdSpace have built up a comprehensive understanding of its issues and functionality. Any alternative supplier would need to apply considerable effort and resources, to develop their understanding of our solution, to be able to provide an equivalent level of support. Which would make alternative suppliers considerably more expensive.

- Renewing the support contract with the current supplier, ThirdSpace is considered most likely to provide a better quality service, that is more cost effective and with least risk.

2. Best Council Plan Implications

- The Identity Management solution covered by this support contract is key underlying infrastructure affecting all council services, through providing the timely creation and modification of all LCC Network Login IDs.
- The Identity Management solution is key to automating the majority of user creation and modification tasks carried out by DIS Service Centre. Which has a major impact on the Best Council KPI, for the “Percentage of DIS service desk calls fixed at the first point of contact”.

3. Resource Implications

- Financial provision has been set aside for this support contract renewal and approved by the DIS Business Manager.

Recommendations

- The Chief Digital and Information Officer is requested to waive contract procedure rules 8.1 and 8.2 (in accordance with CPR27) and approve the purchase of the renewal of the support contract, for the ThirdSpace FIM Comprehensive Identity Platform and Essential Support Agreement, over the next three financial years:
 - a. Apr 2020 to Mar 2021, value £12,000
 - b. Apr 2021 to Mar 2022, value £12,000
 - c. Possibly Apr 2022 to Mar 2023, value £12,000, if implementation of a replacement Identity Management solution is delayed (total contract value £36,000).
- The contract must be renewed before the end of March each year, when the previous contract expires, to avoid incurring additional costs.
- The order to purchase the renewal of the support contract, each year, will be raised by the Identity and Monitoring Manager, Team Leader FIM / AD / System Centre.

1. Purpose of this report

- 1.1 Contract Procedure Rule 8.2 states that “Where there are a sufficient number of providers, at least three written tenders will be invited. The Authorised Officer must always consider whether the procurement would be of interest to local suppliers and/or third sector organisations and, if it would, at least 2 of the organisations invited to tender must be local suppliers and/or third sector organisations. These tenders must (unless it is a requirement of a Third Party Agreement that another portal must be used) be invited by publishing either an open or a restricted tendering opportunity”
- 1.2 This report requests authorisation to waive contract procedure rules 8.1 and 8.2 (under the authority set out in CPR 1.3) and to enter into a new contract with ThirdSpace Ltd, from 1st April 2020 until 31st March 2021 with an option to extend for a further 24 months.

1.3 This report is also to highlight the cumulative spend by direct award of £36,000 over three years.

2. Background information

2.1 This report relates to the Technical Support Contract, for the Council's implementation, of Microsoft's Forefront Identity Manager (FIM), Identity Management solution.

- The FIM system automates the creation and management of all LCC Network Login IDs and the synchronization of user details and changes between multiple systems (SAP, AD, Exchange, Outlook, Skype, InSite / MySite).
- ThirdSpace (previously Oxford Computer Group (OCG)) developed and implemented the current solution, through a major project during 2013 to 2015.
- ThirdSpace have provided the support contract, covering any unexpected issues and minor changes to the solution, for the last five years (2015-2020).

2.2 For the first four years of the support contract it was possible to renew the contract through the LCC / SCC Framework Agreement.

- Since that agreement ended in 2019, LCC and ThirdSpace have not had a common framework partner, through which to renew the contract.
- Due to the low value of this support contract, possible framework partners are unwilling to set up a new framework agreement.
- As a result, in March 2019 the support contract (at that time - FIM Essential Comprehensive Incident Management (CIM) Agreement) was renewed with ThirdSpace, by Direct Award, under Chief Officer Approval.

2.3 The main software of the solution, Microsoft's Forefront Identity Manager (FIM) 2010, goes out of Extended Support on 11th October 2022.

- LCC will need to upgrade to new software and a new solution.
- This will require a major development and implementation project, with significant costs and implementation effort.
- During 2020-21, possible solution options will be investigated.
- With the aim of upgrading to a new solution in 2021-22.
- The new solution will need a similar technical support contract, which will be addressed by the tender for the development and implementation of the new solution.

3. Main issues

- 3.1 The Identity Management solution covered by this support contract, is key underlying infrastructure affecting all council services, through providing the timely automated creation and modification of all LCC Network Login IDs.
- 3.2 There is a continuing need for a support contract for the current solution, until the future replacement solution has been developed and implemented. This is will need renewals for:
- Apr 2020 to Mar 2021
 - Apr 2021 to Mar 2022
 - Possibly Apr 2022 to Mar 2023, if implementation of the future solution is delayed.
- 3.3 As is it no longer possible to renew the support contract with ThirdSpace through a framework agreement, the best option currently available is a Direct Award, under Chief Officer Approval.
- 3.4 LCC's Identity Management solution, employs propriety code which configures and controls the underlying Microsoft Forefront Identity Manager (FIM) code.
- The code developed for our solution, is owned by LCC, and we have copies of the source code.
 - However the solution is dependent on proprietary ThirdSpace interface modules, which are owned by ThirdSpace, for which we don't have the source code.
 - Any alternative supplier would be likely to charge an additional "on-boarding" cost to support code they did not write.
 - Any alternative supplier may be unwilling to support ThirdSpace proprietary code at all.
- 3.5 Over the development, implementation and support of our solution, ThirdSpace have built up a comprehensive understanding of its issues and functionality.
- Any alternative supplier would need to apply considerable effort and resources, to develop their understanding of our solution, to be able to provide and equivalent level of support. Which would make their offering considerably more expensive.
- 3.6 Moving to an alternative supplier for the support contract, would increase risk to the Identity Management solution. With the effectiveness of the support being reduced and the cost of the contract being increased.

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. However, consultation with key stakeholders was undertaken when the particular procurement route was chosen.

4.2 Equality and diversity / cohesion and integration

- 4.2.1 Not Relevant. Equality is not an issue for the award of this support contract, as the Identity Management solution that it covers, handles the changes for the LCC Network Login IDs of all users equally.

4.3 Council policies and the Best Council Plan

- 4.3.1 The Identity Management solution covered by this contract is essential to the timely automated creation and modification of all LCC Network Login IDs. Any impact on the solution for unexpected issues or minor changes, has a negative impact on the provision of all Network Login IDs for all council services. The support contract is essential to provide high level technical support for the solution.
- 4.3.2 The Identity Management solution is key to automating the majority of user creation and modification tasks by DIS Service Centre. Any issues with the solution, have a detrimental effect on the Best Council KPI, for the “Percentage of DIS service desk calls fixed at the first point of contact”. The support contract is essential to our ability to resolve such issues.
- 4.3.3 This support contract, is not directly related the Climate Emergency, however the Identity Management solution it covers, is essential to the timely automated creation and modification of all LCC Network Login IDs for all users of all Network Login IDs for all council services.

4.4 Resources, procurement and value for money

- 4.4.1 Financial provision has been set aside for this support contract renewal and approved by DIS Business Manager.

4.5 Legal implications, access to information, and call-in

- 4.5.1 This decision is not open to call in due to the proposed contract value and nor is the marginal impact considered to be significant meaning this therefore represents a ‘Significant Operational’ decision. No sections of this report are restricted under the access to information rules.
- 4.5.2 The value of this direct award is below the threshold for the application of the Public Contracts Regulations 2015 and therefore it is not subject to the full EU procurement rules. However, the Council’s CPRs 8.1 and 8.2 require competition for procurements valued between £25K and £100K and the invitation of at least three written tenders. A waiver of these CPRs is required to award a contract direct to ThirdSpace Ltd. Although there is no overriding legal obstacle preventing the direct appointment, the above comments should be noted. Awarding the new contract direct to ThirdSpace Ltd in this way could still leave the Council open to a potential claim from other providers, to whom this contract could be of interest, that it has not been wholly transparent.

4.6 Risk management

- 4.6.1 Should the waiver not be approved the Council would lose support and maintenance of the Identity Management solution.
- 4.6.2 The renewal of this support contract is essential to maintaining the ongoing functionality of the Identity Management solution.

- The Identity Management solution covered by this contract is essential to the timely automated creation and modification of all LCC Network Login IDs. Any impact on the solution for unexpected issues or minor changes, has a negative impact on the provision of all Network Login IDs for all council services. The support contract is essential to provide high level technical support for the solution.
- The Identity Management solution is key to automating the majority of user creation and modification tasks by DIS Service Centre. Any issues with the solution, have a detrimental effect on the Best Council KPIs, for “Percentage of DIS service desk calls fixed at the first point of contact”. The support contract is essential to our ability to resolve such issues.

4.6.3 Moving to an alternative supplier for the support contract, would increase risk to the Identity Management solution. With the effectiveness of the support being reduced and the cost of the contract being increased.

- Any alternative supplier would need to apply considerable effort and resources, to develop their understanding of our solution, to be able to provide an equivalent level of support.
- Any alternative supplier would be likely to charge an additional "on-boarding" cost to support code they did not write.
- Any alternative supplier may be unwilling to support ThirdSpace proprietary code at all.

4.6.4 Any delay in renewing this contract, beyond the end of the current contract on 31st March 2020, would incur additional costs.

5. Conclusions

5.1 There is a continuing need for a support contract for our Identity Management solution which provides key underlying infrastructure affecting all council services. As it is no longer possible to renew the support contract through a framework agreement, the best option currently available is a Direct Award, under Chief Officer Approval.

5.2 Over the development, implementation and support of our solution, ThirdSpace have built up a comprehensive understanding of its issues and functionality. Any alternative supplier would need to apply considerable effort and resources, to develop their understanding of our solution, to be able to provide an equivalent level of support. Which would make alternative suppliers considerably more expensive.

6. Recommendations

- 6.1 The Chief Digital and Information Officer is asked to approve the purchase of the renewal of the support contract, for the ThirdSpace, FIM Comprehensive Identity Platform, Essential Support Agreement, over the next three financial years:
- Apr 2020 to Mar 2021, value £12,000
 - Apr 2021 to Mar 2022, value £12,000
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- 6.2 The contract must be renewed before the end of March each year, when the previous contract expires, to avoid incurring additional costs.
- 6.3 The order to purchase the renewal of the support contract, each year, will be raised by the Identity and Monitoring Manager, Team Leader FIM / AD / System Centre.

7. Background documents¹

- 7.1 None

¹ The background documents listed in this section are available to download from the council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.