

CABINET

21 May 2024

Title: Procurement of an Enforcement and Regulatory IT System	
Report of the Cabinet Member for Enforcement and Community Safety	
Open Report	For Decision
Wards Affected: None	Key Decision: No
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Accountable Director: Gary Jones, Interim Operational Director for Enforcement, Regulatory Services and Community Safety	
Accountable Executive Team Director: Leona Menville, Strategic Director, My Place	
Summary: <p>The current IT system, Civica APP (more commonly referred to as Flare) has been a staple of the Council's enforcement and regulatory teams for nearly 30 years. The database is used to manage complaints, access information, respond to residents, allocate tasks and monitor staff workload to manage investigations into food hygiene, health and safety inspections and complaints, noise and air quality complaints and investigations, antisocial behaviour and housing. The system is also used by the Education, Aids and Adaptations and Dog Warden services, as well as for infectious disease and accident at work investigations, food sampling, proceeds of crime, illicit tobacco and counterfeiting investigations and other targeted work undertaken by the Trading Standards function. The system also supports complaints and intelligence from the Citizens Advice Bureau, investigation of empty properties, landlord and HMO licensing schemes, property disrepair, requests and complaints relating to street cleansing, refuse collection, littering and environmental crime, including fly tipping and associated fixed penalty notices issued. The premises record function allows the Council to see the full history of a residential or commercial premises which is a both critical function around enforcement decision making and a useful source of intelligence. The system serves as the Council's regulatory and enforcement prosecutions and sanctions database.</p> <p>Although this product and the relationship with Civica have yielded good results for the Council's Enforcement and Regulatory services, recent news that Civica would be moving away from the current on-premises model to a Cloud only solution has prompted a review of arrangements.</p> <p>Furthermore, the Council has not tested the market or any alternative solutions in 30-years, it is now seen as a good opportunity for the Council to explore the market and test</p>	

whether the current solution is the best fit for the organisation and what other potential suppliers exist.

This procurement will be conducted on the CCS RM6259 – Vertical Application Solutions Framework (VAS) Lot 3, with the aim of establishing a contract for a period of five years with an option for a two-year extension. Vertical Application Solutions employs a more traditional procurement process where an ITT will be submitted to all suppliers named on the lot, which is 29 suppliers. Only the suppliers who have a solution will respond and their bid evaluated as part of the procurement process.

The overall cost of a solution of this size and design is around **£88,000.00** per annum, putting the total potential contractual cost at **£616,000.00** for 7 (5+2) years.

Recommendation(s)

The Cabinet is recommended to:

- (i) Agree that the Council proceeds with the procurement of a contract for an Enforcement and Regulatory IT System in accordance with the strategy set out in the report; and
- (ii) Authorise the Operational Director of Enforcement, Regulatory Services and Community Safety, in consultation with the Cabinet Member for Enforcement and Community Safety, the Strategic Director, Resources and the Head of Legal, to conduct the procurement and award and enter into the contract and all other necessary or ancillary agreements to fully implement and effect the proposals.

Reason(s)

This is a critical database system used to record officer visits, activities, residential service requests, investigation logs and to progress and track prosecutions, FPNs and other sanctions of a variety of statutory services within Enforcement and Regulatory services. The database is used by Aids and Adaptations to progress disability adaptations in properties and by Education to track and progress FPNs for truancy.

1. Introduction and Background

- 1.1 The Department currently uses Civica APP software as a shared database to record complaints, service requests, investigation progression and enforcement across the Regulatory Teams in Private Sector Housing, Environmental Health, Trading Standards, Environmental Enforcement, Licencing and Environmental Protection. The system allows us to record officer actions, create legal notices and performance reports and is fully auditable. The system was originally procured in 1993 and the licence has been renewed annually with some system upgrades undertaken. The current system is at the end of life with the supplier moving to a cloud-based management system and the contract agreed in 1993 has few of the technical assurances, insurance and performance clauses that would be standard in a modern contract.

- 1.2 The Council must continue to meet its Statutory Community Protection duties, and that is not possible without a computer system that can record, monitor, allocate resources, act and report to Local Courts and Central Government on the following range of statutory duties and powers - Anti-Social Behaviour Crime & Policing Act 2014; Clean Air Act 1993; Consumer Protection Act 1987; Consumer Rights Act 2015; Environmental Protection Act 1990; Explosives Act 1875; Explosives Regulations 2014; Fireworks Act 2003, Petroleum (Consolidation) Act 1928; Fraud Act 2006; Gambling Act 2005; Highways Act 1980 (Section 130); Housing Act 2004 Housing Conditions. Inspect houses, take enforcement action; Immigration and Asylum Act 1999; Licensing Act 2003; Licensing and Management of Houses in Multiple Occupation Regulations 2007; Noise and Statutory Nuisance Act 1993; Public Health Act 1936 (noxious matter, verminous articles & persons). etc. this is not an exhaustive list.

2. Proposed Procurement Strategy

2.1 Outline specification of the works, goods or services being procured

2.1.1 This procurement will look to obtain and implement an Enforcement and Regulatory system. This system's main functions for the Council are to record complaints, service requests, investigation progress and enforcement across the multitude of Regulatory Teams.

2.1.2 The current solution is hosted in the council's Azure cloud infrastructure. The new solution will be a Software as a Solution (SaaS) and delivered also from the cloud infrastructure and will be accessible to the regulatory teams through an internet connection, on their laptops and other mobile devices anytime.

2.2 Estimated Contract Value, including the value of any uplift or extension period

2.2.1 Overall cost of a solution of this size and design is estimated to be around **c£88,000.00** per annum, putting the total potential contractual cost at **c£616,000.00** for 7 (5+2) years.

The service has made a successful application to the Council's capital funding for the implementation costs with the ongoing annual costs including licences to be apportioned to each team, but The Selective Private Sector Licencing Scheme will contribute to the ongoing costs from cost code F26290.

2.3 Duration of the contract, including any options for extension

2.3.1 This contract will be acquired for an initial five-year term with the option to extend for a further two years.

This contract length has been chosen because systems of this size and complexity have a long implementation phase with a relatively high implementation cost, to avoid recurring costs in the short term it is seen a more strategically viable for the Council to secure products of this nature on a more long-term basis. The Council trusts that the procurement process will yield the best product for the organisation.

2.4 Is the contract subject to (a) the Public Contracts Regulations 2015 or (b) Concession Contracts Regulations 2016? If Yes to (a) and contract is for services, are the services for social, health, education or other services subject to the Light Touch Regime?

2.4.1 Yes.

2.5 Recommended procurement procedure and reasons for the recommendation

2.5.1 This procurement will be using the CCS-RM6259 Vertical Application Solutions Framework, Lot 3. This framework is valid between 07/03/2023 until the 06/09/2025. This framework was chosen due to its availability of reputable Enforcement and Regulatory system providers.

2.5.2 This framework follows a more traditional process of requiring the Council to upload an ITT to the lot, allowing a window of time for bidders who can provide the service to respond and then evaluating them against a set of requirements that the Council has devised. All suppliers will be given the same requirements as well as the same amount of time to respond and submit their responses.

2.6 The contract delivery methodology and documentation to be adopted

2.6.1 This contract will be delivered under the VAS Frameworks call off contract and terms and conditions; the suppliers licensing T&Cs will also form part of this contract.

2.6.2 The contract itself will be managed by the Enforcement and Regulatory team, with some input from IT Services to ensure that the technical components of the system are being maintained and run successfully.

2.7 Outcomes, savings and efficiencies expected as a consequence of awarding the proposed contract

2.7.1 Currently the system is only receiving mandatory updates from the supplier. All forward-thinking development is being channelled into a newer modern platform. New systems will allow teams to be digitally agile as they are web based. New systems will offer improved processing efficiency and reduced administration via process automation. Teams will be able to be more active operationally as a result without the need to increase team capacity and will improve resident experience by supporting a number of self-serve functions which will reduce the need for business support interaction. The systems trialled have the facility to assign, prioritise and escalate tasks automatically freeing up manager resources.

2.8 Criteria against which the tenderers are to be selected and contract is to be awarded

2.8.1 This procurement will be awarded based on the following criteria split:

60% - Price

30% - Quality

10% - Social Value

2.9 How the procurement will address and implement the Council's Social Value policy

2.9.1 Due to the value of this procurement, Social Value will form 10% of the awarding criteria and have two dedicated questions as part of the Councils requirements supplied to all potential suppliers.

The team responsible for the running of this procurement will work with the Councils Social Value officer to come up with two distinct and clear questions that relate to the Councils Social Value policy and can be effectively answered and evaluated.

The Social Value aspect of this contract will be delivered and managed by the Enforcement and Regulatory Team.

2.10 London Living Wage (LLW)

2.10.1 Not applicable as the system implementation & on-going support can be delivered remotely.

2.11 How the Procurement will impact/support the Net Zero Carbon Target and Sustainability

2.11.1 The procurement of the application software will take into consideration suppliers who are fair trade and environmentally friendly such as those who purchase electricity from renewable sources and using energy efficient technologies in their data centre. Sustainability KPIs will be setup & reviewed as part of the procurement process & contract management process.

3. Options Appraisal

3.1 The following options were considered:

Option	Rationale
Do Nothing (Rejected)	An Enforcement and Regulatory system is required by legislation for the service, as well as being integral in the monitoring and resolution of several services provided by the Council to and for the public. Doing nothing would result in the service being inoperative, this would have significant negative impacts on the organisation including, but not limited to, its reputation.
Open Market Tender (Rejected)	Due to the availability of viable CCS Frameworks and the number of competitors on these frameworks that can provide such systems, it does not seem advantageous for the Council to engage in an open market tender. This process is often longer than using a designated framework, and for the benefit of time management it is seen as a less advantageous option.

Other viable frameworks, notably G-Cloud 13	The Council have explored a number of routes to market, including G-Cloud 13. Due to the disconnect between the engagement with the supplier and the evaluation process on G-Cloud 13, the Council believes it does not allow for as comprehensive a tender exercise and given the financial size and technical complexity of this system, is not suitable.
Direct Award (various methods)	<p>With the organisation not having tested the market in 30-years and the relative competitiveness of the market at this current moment in time, it is seen as more advantageous to explore the market.</p> <p>Furthermore, under public contract rules, a direct award in the current circumstances would not be compliant.</p>

4. Waiver

4.1 Not applicable as a fully compliant procurement process is being completed.

5. Consultation

5.1 The proposals in this report were considered and endorsed by the Procurement Board on 19 February 2024 and by the Executive Management Team on 25 April 2024.

6. Corporate Procurement

Implications completed by: Sam Woolvett, Category Manager, Resources

6.1 A further competition from Lot 3 of the CCS-RM6259 Vertical Application Solutions Framework, is likely to yield the best value for money for this requirement and is suitable for this level of spend.

6.2 This approach complies with LBBDD's Contract Rules. As the value of this procurement exceeds the threshold for the services under the Public Contract Regulations 2015 (the Regulations), standstill periods will be adhered to as recommended by the framework owner.

6.3 Corporate Procurement will be working with the service area and IT throughout the tender process and assisting in drafting the further competition documents.

7. Financial Implications

Implications completed by: Kenny Leshi, Finance Business Partner

7.1 This paper seeks the approval for the Operational Director of Enforcement, Regulatory Services and Community Safety, in consultation with the Cabinet Member for Enforcement and Community Safety, the Strategic Director, Resources and the Head of Legal, to conduct the procurement, award and enter into a contract for an Enforcement and Regulatory System.

- 7.2 The total contract value is c£88,000.00 per annum, with a total potential contractual value of c£616,000.00 over the proposed contract period of 7 (5+2) years.
- 7.3 The implementation cost of the project will be funded through the council's capital programme and ongoing annual costs will be apportioned to each team utilising the system. Finance will ensure the spend is monitored closely as part of the monthly monitoring process.

8. Legal Implications

Implications completed by: Yinka Akinyemi, Contracts and Procurement Lawyer, Law and Governance

- 8.1 This report seeks approval of the Cabinet for the Council to proceed with the procurement of a contract for the appointment of a suitable and qualified Contractor via the mini competition process under the CCS RM6259 – Vertical Application Solutions Framework (VAS) Lot 3 for an enforcement and regulatory system for a period of five years with an option for a two-year extension.
- 8.2 A procurement of this nature and value is subject to the requirements for a full competitive tender exercise in accordance with the Public Contracts Regulations 2015 (“the Regulations”) and the Council's Contract Rules.
- 8.3 The requirements for competitive tendering, as contained within the Council's Contracts Rules are met as Rule 4.2 (a) advises that it is not necessary for officers to embark upon a separate procurement exercise when using a Framework Agreement providing the Framework being used has been properly procured in accordance with the Regulations and the procurement is made in line with the Framework terms and conditions.
- 8.4 The Framework proposed in this report permits the Council to procure via it, as it specifically permits all UK public sector bodies/estates to procure services using its Framework terms and conditions. This ensures compliance with the Council's own Contract Rules and a legally compliant route to the market.

9. Other Implications

- 9.1 **Risk and Risk Management** – These are set out in Appendix 1.
- 9.2 **TUPE, other staffing and trade union implications** - This procurement is not expected to have any TUPE, staffing or trade union implications.
- 9.3 **Corporate Policy and Equality Impact** – An Equality Impact Assessment Screening Tool is attached at Appendix 2 and it was determined that a full assessment was not required.
- 9.4 **Safeguarding Adults and Children** - Various regulatory teams deal with vulnerable adults including Trading Standards dealing with doorstep crime complaints and ASB and Private Sector Housing who both carry out work with mental health, homeless services and drug rehabilitation services. The database allows us to review cases holistically in order to give an understanding of the full

impact of each case. Officers can then make informed decisions, confidently reach case outcomes and accelerate case resolution times which delivers better outcomes to vulnerable residents. The database is used by the Aids and Adaptations Team who are required to deliver adaptations to disabled residents and those with sensory requirements. Education use the system to track FPNs issued to the parents of minors who have truanted.

- 9.5 **Health Issues** - The Environmental Health Team use the database to investigate food poisoning outbreaks, infectious diseases and health and safety investigations. The database is used to process a range of health-related complaints, applications and requests and simplifies statutory data return reporting.
- 9.6 **Crime and Disorder Issues** - The system is used to receive and investigate criminal complaints on behalf of regulatory Services such as Environmental Health, Private Sector Housing, Health and Safety and Licensing. The system is also used to case manage ASB cases and to record complex prosecutions and fraud investigations.
- 9.7 **Property / Asset Issues** - The system is used by Aids and Adaptations in order to adapt assets to meet the needs of residents.
- 9.8 **Business Continuity / Disaster Recovery** - The system will be accessed remotely and agile working is a key component of our business continuity planning as we will still be able to respond rapidly to resident complaints and return to business as usual.

Public Background Papers Used in the Preparation of the Report: None

List of appendices:

- Appendix 1 - Risk Register
- Appendix 2 - Equalities Impact Assessment Screening Tool