

GREATER LONDON AUTHORITY

REQUEST FOR DIRECTOR DECISION – DD2453

Title: GovTech London: Single Source Justification

Executive Summary

GovTech London is a programme aimed at supporting innovative software companies who are seeking to sell into London's public sector. It is funded via LEAP (approved under cover of DD2383). The programme comprises three packages of work, of which two have been to competitive tender and were won by Nitrous Limited.

Nitrous Limited's winning bid concerned the provision of a web-based tool, which aggregates information and opportunities and presents this to the market in a usable and digestible way. The final package of work (details of which are set out in DD2383) involves the creation of an information sharing process to allow suppliers and buyers to better understand each other's needs.

Due to the modest budget, the need for value for money and quality in delivery which can build on the proposal for phase 1 work and the intellectual property rights held by Nitrous Limited in the tool it is proposed that the GLA award the remaining packages of work to Nitrous Limited.

This Decision Form therefore, seeks the Executive Director's approval of the GLA's commissioning of further services from Nitrous Limited and a related exemption from the requirement of the GLA's Contracts and Funding Code to procure such services competitively. We are currently under contract for £32,500 worth of services, to which this decision will add a further £24,950. The total aggregate value of the services to be provided by Nitrous Limited will not exceed £60,000.

Decision

That the Executive Director, Good Growth approves:

1. the commissioning of further services from Nitrous Limited (with a value of up to £24,950) for the delivery of the full GovTech London programme; and
2. a related exemption from the requirement of the Contracts and Funding Code to procure such services competitively.

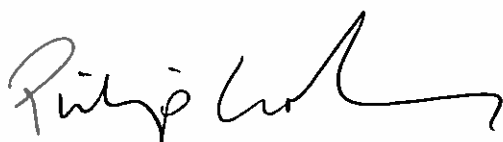
AUTHORISING DIRECTOR

I have reviewed the request and am satisfied it is correct and consistent with the Mayor's plans and priorities. It has my approval.

Name: Phillip Graham

Position: Executive Director, Good Growth

Signature:



Date:

9/3/2020

PART I - NON-CONFIDENTIAL FACTS AND ADVICE

Decision required – supporting report

1. Introduction and background

- 1.1 The Mayor's Economic Development Strategy prioritises the Mayor's commitment to "support the growth of the GovTech¹ sector to help bring the best ideas to market", as a part of the recognition that Advanced Urban Services are one of London's seven key priority sectors. Moreover, the Smarter London Together Roadmap, with its focus on delivering 'more user designed services', and to 'improve city wide collaboration' sets out three clear means of achieving this:
- supporting public service digital and data leadership;
 - establishing the London Office of Technology and Innovation; and
 - exploring new tech partnerships and business models – including specifically how to clarify the public sector market to tech SMEs.
- 1.2 Expenditure of £75,000 of LEAP funding on the GovTech.London tool was approved under cover of DD 2383 and is aimed at supporting innovative SMEs to prepare themselves for working with the public sector, and helping London's boroughs better communicate their needs to earlier stage start-ups.
- 1.3 After consulting with both the supplier base, and the London Office of Technology and Innovation, work was scoped and requests for quotations were sent out for the first phase of the work – the tools which would:
- allow SMEs to understand which public sector bodies deliver which services in London
 - explain the various routes to procurement for suppliers.

The tender was won by Nitrous Limited, which proposed a platform-based solution, that will pull data in from sources such as Contracts Finder and others, as well as allowing suppliers and local authorities to create profiles and communicate with one another. The GLA is currently under contract with Nitrous Limited for £32,500 to deliver this work, and this decision would award a further £24,950 to Nitrous Limited.

2. Objectives and expected outcomes

- 2.1 As outlined in DD2383, the objectives of the project are to:
- provide clarity to the GovTech supplier base about where, and how they can find opportunities to contract with the public sector in London, alongside information and support regarding the processes this will entail;
 - allow GovTech suppliers and local authorities to better understand one another's needs and capabilities, through presenting standardised and simplified information on products and services; and
 - support the creation of new contracting opportunities from London's boroughs which are designed with the needs of SME suppliers in mind, through a 'GovTech Surgeries' event series.

¹ GovTech in London refers to technology which can be used by – or in support of – local authorities in the delivery of public services. In the context of this project it principally means companies seeking to sell to London's boroughs, TfL, or the GLA family.

- 2.2 Officers acknowledge that section 9 of the GLA's Contract and Funding Code requires, where the expected value of contract for services is between £10,000 and £150,000, that such services be procured completely or called off from an accessible framework. Section 10 provides however, that an exemption from this requirement may be approved where a supplier has had previous involvement in a specific current project or the services concerned are a continuation of existing work that cannot be separated from the new project/work. Here the further work to be commissioned:
- must interoperate with the system being built by Nitrous, and should an alternative supplier be successful it would require Nitrous to share potentially commercially sensitive information or add additional cost through an inability to come to such an agreement; and
 - Nitrous, already having won the first tender, are in a stronger position relative to other potential suppliers and so it is unlikely that another supplier would be able to submit a more economically advantageous bid for the work than Nitrous. It would represent poor value for money and could result in missed opportunities should we build two non-interoperating pieces of work.
- 2.3 Given the above and because the total aggregated value of the work which it is proposed be undertaken by Nitrous falls below the thresholds mandating competitive procurement activity officers are of the view that the further work should be commissioned from Nitrous.
- 2.4 The additional funding will be used as originally planned. The total work awarded to Nitrous will not exceed £60,000 and includes the entirety of the 'Cross-functionality with existing public sector innovation platforms' and 'Supplier Database' costs named below. However it also includes 'Research into procurement opportunities' and some GovTech sector marketing from the 'Engagement and Comms' cost. The remaining £15,000 in the budget will be used as originally stated on events and marketing.

Cost name	Cost Amount	Cost Purpose
Cross-functionality with existing public sector innovation platforms	£30,000	To be delivered through a combination of developers and consultants: • Scoping of necessary data collection • Enable GovTech suppliers to interact with opportunities • Link to supplier profiles and allow boroughs to signal traction • List opportunities in standardised format • User testing and refinement
Supplier Database	£25,000	To be delivered through a combination of developers and consultants: • Database creation • Profile functionality • Logic and triaging methodology development • Dynamic visualisations of the procurement process
Engagement and Comms	£20,000	To be delivered through consultants:

- Research into procurement opportunities, lining up opportunities and building programme of events and engagement
- Delivering three high-profile GovTech surgeries per year
- Ensuring senior level borough involvement
- Marketing and comms aimed at the GovTech sector and tech sector more widely.

- 2.5 The funding will come from the LEAP Core budget for 2019-20, though due to a lengthy contract negotiation period, the project is running behind schedule and the spending is likely to take place in 2020-21.

3 Equality comments

- 3.1 Under Section 149 of the Equality Act 2010, as a public authority, the Mayor of London must have 'due regard' of the need to eliminate unlawful discrimination, harassment and victimisation as well as to advance equality of opportunity and foster good relations between people who have a protected characteristic and those who do not.
- 3.2 Strategic equality, diversity and inclusion objectives are enshrined within the GLA's programmes and activities according to the Mayor's Equality, Diversity and Inclusion Strategy.
- 3.3 The programme will be promoted through a wide variety of channels to reach out to underrepresented groups, and we will ensure that as suppliers are brought onto the database and platforms associated with the project, we monitor for diversity and inclusion.
- 3.4 GovTech refers to a broad category of solutions which will sell into the public sector, and therefore has the potential to touch upon areas of service delivery itself covered by the Equality Act 2010. During the process we will ensure that providers and users are reminded of their responsibilities under the Act, and that innovative products and services must ensure they comply with the law.

4 Other considerations

Key Risks and Issues

- 4.1 The below risk register outlines the major risks to the project. It has been updated from DD2382 to reflect the work undertaken to date, and the need for a single source award.

Risk Description	Likelihood	Impact	Mitigation
Insufficient uptake by suppliers	Low	Medium	We have undertaken 2 supplier engagement and co-design events already as part of the planning process. There is a clear demand from suppliers to both shape and use this platform. Uptake from suppliers will be

			ensured through regular show and tell events.
Lack of interoperability with existing platforms	Low	Low	Phase 1 of the project has created a mapping exercise of data sources and existing platforms. Where interoperability is not yet possible we will work with LOTI and central government to attempt to help open up data sources.
Engagement does not translate into buying	Medium	Medium	The project will align with the work of London Office of Technology & Innovation, London Councils, Pipeline and other work at a regional and national scale to ensure that we bring forward practical opportunities. The design of the GovTech surgeries will be procurement compliant to maximise the opportunity for successful procurement.
Procurement barriers prevent innovation	Medium	Medium	This tool will allow local authorities to get a fuller picture of where SMEs sit in their organisational plans, and what level of maturity they are. We will work with boroughs and LOTI to ensure clarity on the various ways that the public sector can work with SMEs.

Links to Mayoral Strategies and Priorities

- 4.2 The Mayor's Economic Development Strategy prioritises the Mayor's commitment to "support the growth of the GovTech sector to help bring the best ideas to market", as a part of the recognition that Advanced Urban Services are one of London's 7 key priority sectors. Moreover the Smarter London Together Roadmap, with its focus on delivering 'more user designed services', and to 'improve city wide collaboration' sets out three clear means of achieving this:
- Supporting public service digital and data leadership;
 - Establishing the London Office of Technology and Innovation; and
 - Exploring new tech partnerships and business models – including specifically how to clarify the public sector market to tech SMEs.
- 4.3 GovTech.London thus brings together the aims of the Economic Development Strategy in its support for the GovTech sector and how it can grow through access to market, with the delivery of the Smarter London Together Roadmap and its focus on better service delivery.
- 4.4 Officers working on this project and in the wider team confirm that there are no conflicts of interest arising with regard to the single source decision.

5 Financial comments

- 5.1 DD2383 previously approved the expenditure of £75,000 on external services for the GovTech London Programme. This decision seeks approval to award Nitrous Ltd up to £60,000 of this by way of contract for their services.
- 5.2 As this proposal is funded by the LEAP's core budget, which in turn is derived from HM Government funds, a carry forward request will need to be made to accommodate the slippage of this programme into financial year 2020-21 as highlighted in point 2.5.

6 Legal Comments

- 6.1 The foregoing sections of this report indicate that the decision requested of the Director (in accordance with the GLA's Contracts and Funding Code) concern the exercise of the GLA's general powers, falling within the GLA's statutory powers to do such things considered to further or which are facilitative of, conducive or incidental to the promotion of economic development and wealth creation, social development or the promotion of the improvement of the environment in Greater London; and in formulating the proposals in respect of which a decision is sought officers have complied with the Authority's related statutory duties to:
- pay due regard to the principle that there should be equality of opportunity for all people;
 - consider how the proposals will promote the improvement of health of persons, health inequalities between persons and to contribute towards the achievement of sustainable development in the United Kingdom; and
 - consult with appropriate bodies.
- 6.2 In taking the decisions requested, the Directors must have due regard to the Public Sector Equality Duty; namely the need to eliminate discrimination, harassment, victimisation and any other conduct prohibited by the Equality Act 2010 and to advance equality of opportunity and foster good relations between persons who share a relevant protected characteristic (race, disability, gender, age, sexual orientation, religion or belief, pregnancy and maternity and gender reassignment) and persons who do not share it (section 149 of the Equality Act 2010). To this end, the Director should have particular regard to section 3 (above) of this report.
- 6.3 Section 9.1 of the Contracts and Funding Code (the 'Code') requires the GLA to call-off services with a value of that concerned here from a suitable framework, where possible, or if not, to undertake a formal tender process which will be managed by TfL Commercial in respect of the services. However, the Executive Director may approve an exemption from this requirement under section 10 of the Code upon certain specified grounds. One of those grounds is that a contract may let without competition where a supplier has had previous involvement in a specific current project or the services concerned are a continuation of existing work that cannot be separated from the new project/work. Officers have indicated at section 2 of this report that this ground applies and that the proposed contracts affords value for money. On this basis the Executive Director may approve the proposed exemption if satisfied with the content of this report.
- 6.4 In the event that the Executive Director makes the decisions sought officers must ensure that a contract is entered into and executed by the GLA and Nitrous Limited or the GLA's current contract with Nitrous Limited is varied before the commencement of the additional services.

7. Planned delivery approach and next steps:

Activity	Timeline
DD sign off	March 2020
Amendment of current contract:	March 2020
Delivery Start Date	Ongoing
Version 1 of the tool launched	June 2020
Suppliers platform live	June 2020
Delivery End Date:	September 2020

Appendices and supporting papers:

None

Public access to information

Information in this form (Part 1) is subject to the Freedom of Information Act 2000 (FOI Act) and will be made available on the GLA website within one working day of approval.

If immediate publication risks compromising the implementation of the decision (for example, to complete a procurement process), it can be deferred until a specific date. Deferral periods should be kept to the shortest length strictly necessary.

Note: This form (Part 1) will either be published within one working day after approval or on the defer date.

Part 1 Deferral:

Is the publication of Part 1 of this approval to be deferred? NO

Part 2 Confidentiality: Only the facts or advice considered to be exempt from disclosure under the FOI Act should be in the separate Part 2 form, together with the legal rationale for non-publication.

Is there a part 2 form – NO

ORIGINATING OFFICER DECLARATION:

Drafting officer
to confirm the
following (✓)

Drafting officer:

Nick Swanson has drafted this report in accordance with GLA procedures and confirms that:

✓

Assistant Director/Head of Service:

Luke Bruce has reviewed the documentation and is satisfied for it to be referred to the Sponsoring Director for approval.

✓

Financial and Legal advice:

The finance and legal teams have commented on this proposal, and this decision reflects their comments.

✓

Corporate Investment Board:

The Corporate Investment Board reviewed this proposal on 9 March 2020.

EXECUTIVE DIRECTOR, RESOURCES:

I confirm that financial and legal implications have been appropriately considered in the preparation of this report.

Signature

M. D. Allge

Date 9.3.20