

GREATER LONDON AUTHORITY

REQUEST FOR DEPUTY MAYOR FOR FIRE & RESILIENCE DECISION – DMFD45

Title: Performance and Administration Management Solution

Executive Summary:

Report LFC-0254 to the London Fire Commissioner seeks approval to incur expenditure of up to £236,200 over eight years in order to award the contract for the purchase of a performance management and administration system to InPhase Limited. The proposed contract award will ensure an appropriate software solution is provided to enable managers to create and monitor corporate, departmental and team plans, risk registers, business continuity activities and programme and project information.

The London Fire Commissioner Governance Direction 2018 sets out a requirement for the London Fire Commissioner to seek the prior approval of the Deputy Mayor before “[a] commitment to expenditure (capital or revenue) of £150,000 or above as identified in accordance with normal accounting practices...”.

Decision:

The Deputy Mayor for Fire and Resilience approves the expenditure of up to £236,200 over eight years by the London Fire Commissioner for the purpose of the development of a performance administration management solution, as set out in report LFC-0254 to the Commissioner.

Deputy Mayor for Fire and Resilience

I confirm that I do not have any disclosable pecuniary interests in the proposed decision.

The above request has my approval.

Signature:



Date:

15/01/2020

PART I – NON-CONFIDENTIAL FACTS AND ADVICE TO THE DEPUTY MAYOR

Decision required – supporting report

1. Introduction and background

- 1.1. Report LFC-0254 to the London Fire Commissioner proposes a contract award that will ensure an appropriate software solution is provided to enable managers to create and monitor corporate, departmental and team plans, risk registers, business continuity activities and programme/project information.
- 1.2. That report also sets out the procurement strategy undertaken and the outcome of the procurement exercise. The current Performance Management Framework (PMF) system provided by Excelsis 360 Limited was implemented in 2010 to provide a single, centralised and integrated ICT system for the monitoring of the corporate plan, projects, risks and performance indicators.
- 1.3. The system stream-lined a number of low-tech solutions (e.g. manually updating Word documents, Excel spreadsheets, Access databases) and brought the core elements of the Brigade's performance management framework (at that time) into one place.
- 1.4. Since its introduction, the London Fire Brigade (LFB) business management needs have expanded and a range of 'add on' modules have had to be acquired to increase the system's functionality to accommodate new requirements.

2. Objectives and expected outcomes

- 1.5. PMF was developed as a bespoke system. Excelsis 360 Limited developed the modules based on the input of lead performance officers and the design of the Brigade's processes back as they were in the last decade.
- 1.6. Its core advantage is that it provided a central area for the Brigade's planning, risk and project management needs in one place. Users can access a personal dashboard to see what activities they are responsible for. Additionally, because the software is open source, anyone in the Brigade can have access to PMF without the need for expensive licensing costs.
- 1.7. It would be fair to say that the user experience has been variable with PMF. Some use the system daily and others are put off to the extent that they no longer engage with it or the information it contains.
- 1.8. Although the system has been developed with further add-ons since its introduction, the core user experience remains the same. Put simply, PMF is showing its age as a system from a decade ago. The prime source of frustration is the dated click, edit and save functionality which has to be performed for each input into the system. Compared to modern systems, it is clunky and labour intensive.
- 1.9. Additionally, while Excelsis 360 Limited have provided excellent support to PMF, it is not their core business (they also design accountancy solutions). They are not performance management specialists and we cannot tap into a wider network of performance professionals to introduce improvements to the way we use our performance information. Most modern providers (including the successful tenderer for PAMS) provide this as standard so that the system remains relevant to the organisation.
- 1.10. With the current contract with Excelsis 360 due to expire in May 2019, this has provided the opportune moment to explore other options and the PMF contract was extended for a further two years to May 2021 while a new system is being procured and tested.

Consultation on the current system and the case for moving on

- 1.11. As part of this exploration, the Strategy and Risk department carried out a consultation on performance management system needs with key stakeholders to canvass opinion on the PMF, and to identify gaps in the current system and find out what user requirements were.
- 1.12. In terms of gaps identified, consultation has shown that there is not an obvious alignment between the departmental / team / borough plans and the Brigade's corporate objectives. The current system does not provide managers with a clear picture of their areas of performance proving it ineffective for analytical purposes.
- 1.13. Users also pointed out that the current system is cumbersome and difficult to navigate so departments prefer to use spreadsheets and other database applications to record and monitor their plans. An example of this is the Brigade's Operational Improvement Plan which is maintained as a completely separate entity by the Operational Policy department as the Plan has additional functionality and reporting requirements that cannot be met by PMF.
- 1.14. The use of other solutions outside of PMF means that it is difficult to gain an overview of the Brigade's priorities and activities alongside resource allocation. It is reasonable to assume that the use of other applications will increase the longer PMF remains as the corporate performance management system.
- 1.15. It was clear from this exercise that the Brigade needed a more user-friendly solution to handle all performance management information and thereby make it more appealing to staff.
- 1.16. Using the findings from the consultation, the specification was developed and following the advice of colleagues in Procurement, it was sent to soft market test with suppliers under the G- Cloud framework before committing to the tender process to ensure our requirements were sound and attractive to potential bidders. A Request for Information (RFI) sent by the Procurement department attracted responses from three suppliers; their responses were taken into account; the document was revised accordingly and was approved by the Project Board.

2. Equality comments

- 2.1. The Public Sector Equality Duty – and the potential impacts of this decision on those with protected characteristics (age, disability, gender reassignment, pregnancy and maternity, race, sex, religion or belief, sexual orientation) has been considered by the London Fire Commissioner and the Deputy Mayor for Fire and Resilience at the Deputy Mayor's Fire and Resilience Board meeting on 12 November 2019. The Act states that 'marriage and civil partnership' is not a relevant protected characteristic for (b) or (c) although it is relevant for (a).
- 2.2. The Public Sector Equality Duty applies to the London Fire Commissioner and the Deputy Mayor when they make decisions. The duty requires them to have regard to the need to:
 - eliminate unlawful discrimination, harassment and victimisation and other behaviour prohibited by the Act. In summary, the Act makes discrimination etc. on the grounds of a protected characteristic unlawful. PAMS aims to introduce an integrated performance management system for managing planning, risk, business continuity and project information. This will allow for better planning, and oversight of projects from a management perspective, alleviating stress in staff through better management through adopting a more standardised way of working.
 - advance equality of opportunity between people who share a protected characteristic and those who do not. PAMS aims to ensure equality of opportunity in identifying a standard policy approach to managing projects, removing lack of clarity or unintentional inequalities arising from the projects.
 - foster good relations between people who share a protected characteristic and those who do not including tackling prejudice and promoting understanding. Consultation with equality support

groups, in particular the disability support group will ensure that this project achieves its aim of supporting management processes for projects across the Brigade.

2.3. The Equality Impact Assessment (EIA) indicates that the implementation of the new system will have an adverse effect on persons within the disability group; however, the new system will work with the range of standard hardware and software assistive technologies already used by the Brigade to mitigate this such as:

- Dragon;
- Zoomtext;
- Texthelp; and
- MindManager.

2.4. Appropriate reasonable adjustments will be provided to staff in line with the guidance provided in Policy Number 553 – Learning Support.

2.5. Furthermore, the new solution complies with the *International Standards ISO/IEC 40500:2012* which are applied to web-based systems throughout UK government agencies. The standards are based on four principles: systems must be *Perceivable, Operable, Understandable* and *Robust*.

Perceivable:

- provide text alternatives for non-text content;
- provide captions and other alternatives for multimedia;
- create content that can be presented in different ways, including by assistive technologies, without losing meaning; and
- make it easier for users to see and hear content.

Operable:

- make all functionality available from a keyboard;
- give users enough time to read and use content;
- do not use content that causes seizures; and
- help users navigate and find content.

Understandable:

- make text readable and understandable;
- make content appear and operate in predictable ways; and
- help users avoid and correct mistakes.

Robust:

- maximize compatibility with current and future user tools.

2.6 The LFB disability support group and the Learning Support team will be consulted during the implementation of the solution and as part of the User Acceptance Test.

3. Other considerations

Procurement and Sustainability

- 3.1. The Project Board agreed that eight years would be an ideal length to the contract as this would ensure that the implementation, training and resources costs required to install a new software system represented a better investment than a shorter contract where these costs would be incurred in a shorter timeframe.
- 3.2. The GCloud framework was considered as it provides a large pool of suppliers however, this route imposed a two-year contract limit and there was no guarantee that the same solution could be retained beyond these two years, so, this option was discounted. The Crown Commercial Services Technology Products 2 framework was considered however, the framework has a maximum term of five years under this agreement and the suppliers were unable to fully meet the specification and so this option was also discounted. No other frameworks were identified in the market which could potentially be an option for the route to market.
- 3.3. The restricted Official Journal of the European Union (OJEU) procedure was chosen for the procurement of this new solution primarily due to the requirement for a longer contract length and access to the wider market. The proposed contract is a five-year contract with the option to extend for up to three years.
- 3.4. The OJEU restricted procedure allowed any interested party to participate in the procurement process however, only those invited to tender following an assessment of their experience, capability and capacity may submit a tender.
- 3.5. The procurement documents were published on 12 April 2019 with a deadline of 13 May 2019 for the first stage of the process which requires that suppliers submit their responses to a Supplier Questionnaire (SQ). The questions under the SQ are used to determine the suppliers' suitability in delivering the range and scope of services as required by the Brigade. Officers from the Strategy and Risk department carried out the SQ evaluation and all scores were agreed at a moderation meeting chaired by an officer from the Procurement department.
- 3.6. Five suppliers were shortlisted and invited to tender on 13 June 2019 with a deadline for 21 June 2019. Five tenders were received before the deadline:
 - CAMS Performance and Management Software (CAMMS);
 - InPhase Limited;
 - IRIS Intelligence Ltd. (IRIS);
 - Ninth Wave Ltd; and
 - TMI Systems (TMI).
- 3.7. The tender responses were evaluated using the price and quality criteria at the ratio of 35% to 65% respectively. Further evaluation under each criterion is available on request.
- 3.8. System presentations took place on 24 and 25 June 2019 at the Brigade headquarters and scores were agreed by officers from the Strategy and Risk and Information and Communication Technology departments and moderated by an officer from Procurement.
- 3.9. Quality questions were evaluated by officers from Strategy and Risk whilst officers from Information and Communication Technology evaluated technical quality questions. The Social Value question was evaluated by officers in the Sustainable Development team and a commercial evaluation was undertaken by officers from the Procurement department.
- 3.10. A moderation meeting was held on 17 July 2019 with all the officers from Strategy and Risk, Information and Communications Technology and Technical and Commercial Services where the final scores were agreed.

- 3.11. All suppliers passed the ICT security evaluation, however, TMI Systems Limited and Iris Intelligence Ltd. did not pass the threshold question on functionality and therefore were not considered further. Paragraph 20 of the report to the Commissioner (attached as Appendix 1) provides the tender assessment summaries.
- 3.12. Based on the tendered price the implementations costs, including training for administrators, cascade training support, design & development and project management totals £47,100. Licensing, hosting and support costs are set at £31,100 in each of the first five years from April 2020 for a total of £155,500 over that period. Together with the implementation costs this results in a total cost over the first five years of £202,600.
- 3.13. The annual licensing, hosting and support costs for each of the three extension years is then £11,800, £11,800 and £10,000 respectively. This results in a total additional cost of £33,600 if the contract is extended for the maximum possible three years and a total potential total contract cost over eight years of £236,200.
- 3.14. There is revenue budget of £9,400 available from 2020/21 within the existing performance management system budget that can be used to offset the total annual revenue costs of £31,100, leaving a deficit of £21,700.
- 3.15. InPhase Limited provided the most economically advantageous tender based on the evaluation model through the OJEU restricted procedure procurement process and should be awarded the contract as they achieved the highest quality score and also provide best value to the London Fire Commissioner.
- 3.16. This contract will benefit the organisation in aligning and integrating strategic objectives with the required performance indicators by driving all the activities from the bottom up in the planning and monitoring work undertaken within the LFB.

Cost requirements for a new platform

- 3.17. Based on the tendered price the implementations costs, including training for administrators, cascade training support, design and development and project management totals £47,100. Licensing, hosting and support costs are set at £31,100 in each of the first five years for a total of £155,500 over that period. Together with the implementation costs this results in a total cost over the first five years of £202,600.
- 3.18. The annual licensing, hosting and support costs for each of the three extension years 2025/26 – 2027/28 is then £11,800, £11,800 and £10,000 respectively. This results in a total additional cost of £33,600 if the contract is extended for the maximum possible three years and a total potential total contract cost over eight years of £236,200.

Collaboration

- 3.19. Research on performance management systems used by other Fire and Rescue Services (FRS) and blue light partners has shown that these are provided as locally installed applications which does not comply with the Brigade's ICT strategy. The Brigade have adopted the government's cloud first strategy so it is an essential requirement that off the shelf packages should be delivered as 'Software as a service' (SaaS) hosted by the supplier of the software product. Therefore, there were no obvious collaboration opportunities for this procurement.

Procurement outcome

- 3.20. InPhase Limited provided the most economically advantageous tender based on the evaluation model through the OJEU restricted procedure procurement process and should be awarded the contract as they achieved the highest quality score and also provide best value to the London Fire Commissioner.
- 3.21. This contract will benefit the organisation in aligning and integrating strategic objectives with the required performance indicators by driving all the activities from the bottom up in the planning and monitoring work undertaken within the Brigade.

4. Financial comments

- 4.1. Report LFC-0254 to the London Fire Commissioner requests approval to award a contract for the provision of a Performance and Administration Management Solution (PAMS) for a period of five years, (2020/21 – 2024/25) with an option to extend for three further years, for a total cost of £236,200.
- 4.2. There is a budget of £210,000 in 2019/20 within the existing capital programme for this project. However, based on the proposed delivery method, the costs of this project will now be treated as revenue expenditure with projected revenue implementation costs of £47,100 in 2019/20. The financial impact of these revenue costs will be considered as part of the Quarterly Financial Position reports along with the impact of this project no longer being funded as part of the capital programme.
- 4.3. The annual cost of the contract will result in an increased requirement of £21,700 from 2020/21, when compared to existing resources. This additional requirement is included as part of the budget submission for 2020/21.

5. Legal comments

- 5.1. Under section 9 of the Policing and Crime Act 2017, the London Fire Commissioner (the "Commissioner") is established as a corporation sole with the Mayor appointing the occupant of that office. Under section 327D of the GLA Act 1999, as amended by the Policing and Crime Act 2017, the Mayor may issue to the Commissioner specific or general directions as to the manner in which the holder of that office is to exercise his or her functions.
- 5.2. By direction dated 1 April 2018, the Mayor set out those matters, for which the Commissioner would require the prior approval of either the Mayor or the Deputy Mayor for Fire and Resilience (the "Deputy Mayor").
- 5.3. Paragraph (b) of Part 2 of the said direction requires the Commissioner to seek the prior approval of the Deputy Mayor before "[a] commitment to expenditure (capital or revenue) of £150,000 or above as identified in accordance with normal accounting practices...".
- 5.4. The Deputy Mayor's approval of the expenditure of £236,200 is accordingly required for the Commissioner to procure a Performance and Administration Management Solution (PAMS) from InPhase Limited for 5 years with an option to extend for an aggregate of 36 months at a cost of £236,200.
- 5.5. In accordance with Section 5A Fire and Rescue Services Act 2004 (FRSA 2004), the London Fire Commissioner, being a 'relevant authority,' may do 'anything it considers appropriate for the purposes of the carrying- out of any of its functions'.
- 5.6. The statutory basis for the actions proposed in this report is provided by section 7 (2)(a) of the Fire and Rescue Services Act 2004, under which the Commissioner must secure the provision of personnel, services and equipment necessary to efficiently meet all normal requirements for firefighting.
- 5.7. The London Fire Commissioner's General Counsel also notes that the restricted procedure OJEU procurement undertaken is in compliance with regulation 28 of the Public Contracts Regulations 2015. The outcome of the procurement will be the entry into of a contract for the development of a new performance and administration management system for the London Fire Brigade.

Appendices and supporting papers:

Appendix 1: LFC-0254 – *‘Performance and Administration Management Solution (PAMS) – Contract award’*

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? YES**

If YES, for what reason: The decision consents to the award of a contract to InPhase Limited. That contract award will result in a cooling off period for the contractor and the London Fire Commissioner. Publication of details relating to the procurement process associated with that award prior to the expiration of that period would damage the commercial interests of the Commissioner.

Until what date: 1 April 2020.

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

Richard Berry has drafted this report with input from the LFC and in accordance with GLA procedures and confirms the following:

✓

Assistant Director/Head of Service

Martin Clarke has reviewed the documentation and is satisfied for it to be referred to the Deputy Mayor for Fire and Resilience for approval.

✓

Advice

The Finance and Legal teams have commented on this proposal.

✓

Corporate Investment Board

This decision was agreed by the Corporate Investment Board on 6 January 2020.

EXECUTIVE DIRECTOR, RESOURCES:

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

Signature

M. D. Clarke

Date

9.1.20

