

Nottingham City Council Delegated Decision



Nottingham
City Council

Reference Number:

4020

Author:

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Department:

Development and Growth

Contact:

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Subject:

Extend procurement deadline for ITSO HOPS and RTD services for ENCTS and commercial ticketing services

Total Value:

£136,000 (Type: Revenue)

Decision Being Taken:

1. To grant dispensation from Contract Procedure Rule 4.1.2 in accordance with Finance Regulation 3.29 (Operational Issues) to issue an 18 month extension to HOPS procurement extending the current contract to March 31st 2022. The cost of this extension will be £91,000.
 2. To grant dispensation from Contract Procedure Rule 4.1.2 in accordance with Finance Regulation 3.29 (Operational Issues) to issue a 6 month extension to the RTD procurement, extending the current contract to March 31st 2021. The cost of this extension will be £45,000
- In order to maintain current English National Concession (ENCTS) and Robin Hood Network Ticketing schemes until the procurement exercises for new contracts are complete.

Reasons for the Decision(s)	<p>The Council operates a Host Operator Processing System (HOPS) and Remote Ticket Download System (RTD) as part of its back office system for managing Concessionary Fares and the Robin Hood Card. Contracts for these systems have been in place for a number of years and are due for renewal.</p> <p>In January 2020, DDM no. 3774 approved the procurement of HOPS and RTD services, together with an extension of the current RTD contract until procurement was complete.</p> <p>Due to unforeseen complications as a result of the Covid 19 pandemic, the HOPS and RTD procurements have been delayed and in order to ensure continuity of service, the existing contracts need to be extended beyond existing expiry dates to allow time for the procurement process to be completed and sufficient time for services to be transitioned if required.</p> <p>The HOPS extension is required to be a lengthy extension as we have now discovered that if we choose an alternative supplier to the incumbent, there will likely be a minimum of 12 months required to migrate services. This view is confirmed by our own supplier, alternative potential suppliers, other Local Authorities and industry specialists: consultants Systra and SAM Ltd (a uk member owned provider of ITSO Smart Ticketing Managed Services to Local Authorities and transport providers)</p> <p>The RTD extension we believe is ample as the migration period (should a new supplier be chosen) is likely to be much shorter and the technical documents required to commence procurement are almost ready to be signed off for inclusion.</p> <p>The figures quotes are based on existing contract prices and have been budgeted for as part of the service area operational costs.</p>
Other Options Considered:	<p>Agree a new contract with the incumbent suppliers. However, the current contracts have been in place for a number of years (and have been extended previously) and require procurement to satisfy contract regulations.</p>
Background Papers:	<p>None</p>
Published Works:	<p>Delegated Decision 3774 - Procure ITSO HCE mobile ticketing solution via direct award - January 2020</p>
Affected Wards:	<p>Citywide</p>
Colleague / Councillor Interests:	<p>None</p>
Dispensation from Financial Regulations:	<p>Yes</p>
Consultations:	<p>Those not consulted are not directly affected by the decision.</p>
Crime and Disorder Implications:	<p>No implications, business as usual</p>

Equality: EIA not required. Reasons: Business as usual, delivering services to all Citizens

Decision Type: Portfolio Holder

Subject to Call In: Yes

Call In Expiry date: 20/10/2020

Advice Sought: Legal, Finance, Procurement

Legal Advice: The proposals in this report raise no significant concerns and for the reasons given within the report are supported. The service area had intended to commence a tender process earlier in the year but due to unfortunate delays this has not been possible.

It is understood that due to the nature of the services and requirement to migrate the systems over, it would not be possible to change the contractor at this time without substantial inconvenience and duplication of costs and therefore for reasons of interoperability and interchangeability the proposals are supported. The extension of these contracts will facilitate the commencement of a procurement process and provide for any required migration if necessary. The extensions will be on costs previously provided with the incumbent supplier ensuring value for money.

Legal services will assist as necessary. Advice provided by Dionne Claire Screatton (Solicitor) on 11/09/2020.

Finance Advice: Both decisions to extend the procurement and extend the current contracts for HOPS (31st March 22) and RTD (31st March 21) are supported due to the unforeseen complications resulting from Covid-19.

Extension of existing contracts will ensure continuity of services until the procurement exercise for new contracts is complete.

Costs associated with extending the existing HOPS contract (£91k) to 31st March 22 and RTD contract (£45k) to 31st March 21 will be managed within existing Public Transport revenue budgets.

Advice provided by Roma Desai (Commercial Business Partner) on 14/09/2020.

Procurement Advice: Both decisions to extend the procurement and extend the current contracts for HOPS (31st March 22) and RTD (31st March 21) are supported due to the unforeseen complications resulting from Covid-19. Advice provided by Paul Ritchie (Lead Procurement Officer) on 14/09/2020.

Signatures

Adele Williams (Portfolio Holder for Adult Care & Local Transport)
SIGNED and Dated: 09/10/2020

Chris Henning (Corporate Director for Development and Growth)
SIGNED and Dated: 01/10/2020

Laura Pattman (Strategic Director of Finance) - Dispensation from Financial Regulations
SIGNED and Dated: 01/10/2020
Chief Finance Officer's Comments: