

Nottingham City Council Delegated Decision



Nottingham
City Council

Reference Number: 1912
Author: Anne Clarke
Department: Resources
Contact: Andrew David Warsop
(Job Title: Change & Transition Manager, Email: andy.warsop@nottinghamcity.gov.uk, Phone: 01158763228)

Subject: Rocket Software Maintenance Renewal

Total Value: £13,290 (Type: Revenue)

Decision Being Taken:
To extend the contract for maintenance services of the Rocket software by three years from 1st 2015 until 31 March 2018 at a cost of £13,290, payable in one lump sum, the cost to be met from the IT revenue budget.

To seek dispensation from Contract Procedure 5.1.1 in accordance with Financial Regulation 3.29 (relating to obtaining at least 3 written quotations) and extend the contract for 3 years.

Reasons for the Decision(s) The CorBusiness Enterprise Edition Maintenance and CorBusiness Personal Edition Maintenance application is used by Human Resources (HR) to report on data from the Delphi system and is an essential tool for HR reporting as there is no historical data in Oracle. A decision was made when Oracle was implemented, that legacy systems would be used for historical reporting purposes. The software can only be maintained by Rocket who owns the intellectual property rights to the software.

Other Options Considered: None. The software must be supported.

Background Papers:

Published Works:

Affected Wards:	Citywide
Colleague / Councillor Interests:	
Dispensation from Financial Regulations:	Yes
Consultations:	Those not consulted are not directly affected by the decision.
Crime and Disorder Implications:	None
Equality:	EIA not required. Reasons: Maintenance renewal not directly used by colleagues and citizens.
Decision Type:	Portfolio Holder
Subject to Call In:	Yes
Call In Expiry date:	09/04/2015
Advice Sought:	Legal, Finance, Procurement, IT
Legal Advice:	Dispensation is need under financial regulation 3.29 (operational issues) to extend the contract for 3 years. Advice provided by Sarah O'Bradaigh (senior solicitor) on 26/03/2015.

Finance Advice:

The value of the decision (£13,290) is based on the quoted cost of purchasing a 3 year licence for the continued use of software that will preserve access to information held within the legacy JD Edwards Enterprise Resource Package. For reasons of materiality and consistency, the cost will be treated as revenue expenditure and will be met from provisions for software maintenance within the Resources ICT revenue budget. Amounts equating to approximately £4,430 per annum will be recognised in successive accounting periods by means of year end accrual postings.

Dispensation from Contract Procedure Rule 5.1.1, in accordance with Financial Regulation 3.29, is being sought on value for money grounds and because the proposed supplier has intellectual property rights over the software application. These points are more fully explained in the Procurement Advice below.

Value for money will be delivered by taking advantage of the discount offered for entering into a 3 year agreement. Further value is expected to be realised by avoiding costs, over and above purchase price, that might arise from the need to migrate to an alternative software solution.

Advice provided by C I Sharpe (Finance Analyst) on 26/02/2015.

Procurement Advice:

The proposal is for a dispensation from contract procedure rule 5.1.1 to conduct a three quote process for any contracts between £10,000 and £50,000.

The justification for this is based on a) value for money (the costs of purchasing and migrating to suitable alternative software solutions would be substantially in excess of the annual maintenance costs for these software currently in use) and b) intellectual property rights (only the company which owns the intellectual property rights can provide the maintenance on their software and this means that support and maintenance for the software in question cannot be tendered for). It is on this basis that there are no significant procurement concerns.

Advice provided by Rosalie Parkin (Category Manager) on 25/02/2015.

IT Advice:

The IT Service supports this proposal.
The software is required to access information held within the legacy JD Edwards Enterprise Resource Package. The proposal here is to purchase a 3 year renewal which offers a lower overall cost than that achieved through annual renewal.

Advice provided by Paul J. Burrows (Strategy Manager) on 24/02/2015.

Signatures

Graham Chapman (PH for Resources and Neighbourhood Regeneration)
SIGNED and Dated: 30/03/2015
Glen O'Connell (Acting Corporate Director of Resources)
SIGNED and Dated: 30/03/2015
Geoff Walker (Acting Head of Strategic Finance) - Dispensation from Financial Regulations
SIGNED and Dated: 27/03/2015
Chief Financial Officer's Comments: