

## **TENDER RECOMMENDATION REPORT**

**TO: ACTING CHIEF EXECUTIVE OFFICER**

**CC: MANAGER STRATEGIC AND BUSINESS PLANNING**

**FROM: DIRECTOR CORPORATE STRATEGY AND PERFORMANCE**

**FILE REF: 29249 - 19/366685**

**DATE: 7 October 2019**

---

**TENDER 19080: Supply Of Software And Provision Of Services for Corporate Performance Management Solution**

---

### **Issue**

To consider Tender No: 19080 for the Supply of Software and Provision of Services for Corporate Performance Management Solution for a period of three years with two, twelve month, or part thereof, options to extend at the discretion of the City.

### **Background**

This project is part of the Enterprise Software Renewal Program and included in the City's ICT roadmap that is aligned to the OMR outcomes.

The project aligns to the City's Strategic Community Plan (SCP) under the Civic Leadership Strategic theme:

#### **4.3 Progressive Organisation**

- Implement initiatives to strengthen organizational capability and capacity
- Review and improve systems, processes and technologies

The objective of the project is to implement an automated Corporate Performance Management Solution that supports the City's Integrated Planning and Reporting Framework. The system should be user friendly and will be used as a management tool to plan, monitor, measure and report on strategic and corporate performance to ensure effective and efficient decision making and the impact of service delivery by the City. Performance data will be provided within the system that can be used to measure the implementation of the City's SCP and Corporate Business Plans and identify performance gaps aligned to the City's Strategy.

### **Detail**

Tender 19080 for the Supply of Software and Provision of Services for Corporate Performance Management Solution was advertised on 6 April 2019 and closed on Friday 10 May 2019. Due to the lapse of time relating to the evaluation process, tender validity for the recommended tenderer has been extended to 18 October 2019. Please see Confidential Attachment for documents relating to this Tender.

Essential details of the proposed contract are as follows:

Item	Detail
Contract Form	Goods and Services
Contract Type	Fixed Lump Sum / Schedule of Rates
Contract Duration	Three (3) years
Commencement Date	October 2019
Expiry Date	October 2022
Extension Permitted	Yes, two (2) twelve (12) month options
Rise and Fall	Maximum Perth All Groups CPI increases upon extensions.

It should be noted that the City included within the Request for Tender document, standard terms and conditions for goods and services with an expectation that software providers will propose their individual software licensing and maintenance terms.

Tender submissions were received from the following:

- ICT360 Pty Ltd (ICT360)
- Action IT Pty Ltd (Action IT)
- LG Software Solutions Pty Ltd T/A Pulse Software (Pulse Software)
- EPM Partners Pty Ltd (EPM Partners)
- MagiQ Software Ltd (MagiQ Software)
- Accenture Australia Pty Ltd T/A Prime Q Australia Pty Ltd (Prime Q)
- CA Technology Pty Ltd T/A CAMMS (CAMMS)
- Fusion 5 Pty Ltd (Fusion 5)
- PMH Insights INC T/A PMH Insights (PMH Insights)

The Tender Evaluation Panel comprised:

- Operations Manager Business & Finance
- Acting Manager Strategic & Business Planning
- Business Systems Officer
- Performance Reporting Officer
- Performance & Reporting Analyst

### Probity Oversight

Oversight to the tender assessment process was undertaken by the City's Contracts Officer.

Tender submissions were evaluated in accordance with the Procurement and Evaluation Plan (PEP) which included the following selection criteria:

Item No	Description	Weighting
1	Fit to Functional Requirements	35%
2	Fit to Non-Functional Requirements	20%
3	Vendor Relationship and Support Capability	30%
4	Solution Credibility and Referenceability	15%
5	Price (assessed under Value for Money)	Not Weighted

All nine tender submissions were deemed conforming and progressed to the evaluation process.

The minimum acceptable baseline for Qualitative Criteria is set at 50% with acceptable minimum scores required for each qualitative criterion.

**Evaluation Criteria 1 – Fit to functional requirements (35%)**

The tenderer submissions were evaluated to determine the functional capability of the proposed system to provide a suitable automated solution that drives corporate performance through internal integration methods whilst allowing organisational growth through continuous process enhancement.

The functional requirements category consisted of 35 system requirements. The functional requirements criteria also address the way in which the end user (the customer) engages with the system.

The assessment of this criterion has resulted in the following ranking:

<b>Tenderer</b>	<b>Ranking</b>
CAMMS	1
ICT360	2
MagiQ Software	2
LG Software (Pulse Software)	2
EPM Partners	5
Fusion 5	5
Accenture (Prime Q)	5
PMH Insights	8
Action IT	9

**Evaluation Criteria 2 – Fit to Non-Functional Requirements (20%)**

The tenderer’s technical architecture and standards, system performance and availability were assessed in order to evaluate their capability to meet the requirements of the contract. The assessment of this criterion has resulted in the following ranking:

<b>Tenderer</b>	<b>Ranking</b>
LG Software (Pulse Software)	1
CAMMS	2
ICT360	2
MagiQ Software	2
EPM Partners	5
Fusion 5	5
Accenture (Prime Q)	5
PMH Insights	8
Action IT	9

**Evaluation Criteria 3 – Vendor Relationship and Support Capacity (30%)**

The tender proposals were evaluated to determine their capacity to meet the requirements of the contract.

<b>Tenderer</b>	<b>Ranking</b>
CAMMS	1
ICT 360	1
LG Software (Pulse Software)	3
MagiQ Software	4

Action IT	5
EPM Partners	5
Fusion 5	5
Accenture (Prime Q)	5
PMH Insights	9

#### Evaluation Criteria 4 – Solution Credibility and Referenceability (15%)

Evidence of referenceability and track record was initially assessed based on information provided within the tender submissions. All tenderers provided details of their referenceability and track record with the following ranking:

Tenderer	Ranking
CAMMS	1
ICT360	1
MagiQ Software	3
LG Software (Pulse Software)	3
Action IT	5
Fusion 5	5
PMH Insights	5
Accenture (Prime Q)	5
EPM Partners	9

#### Overall Qualitative Weighted Assessment and Ranking

Tenderer's submissions were reviewed in accordance with the PEP. The differing options do not alter the outcome of the overall assessment.

The overall weighted assessment resulted in the following tenderer ranking:

Tenderer	Ranking
CAMMS	1
ICT360	2
LG Software (Pulse Software)	3
MagiQ Software	4
Fusion 5	5
Accenture (Prime Q)	5
EPM Partners	7
Action IT	8
PMH Insights	9

EPM Partners, Action IT and PMH Insights did not receive the minimum acceptable baseline for the qualitative criteria and therefore were not considered for the demonstration stage. All tenderers who achieved the minimum acceptable baseline for Qualitative Criteria were invited to demonstrate their system capabilities. The six shortlisted vendors received a demonstration information package with instructions to demonstrate their system capabilities on how their system will satisfy the City's needs. MagiQ Software subsequently withdrew from the tender process.

#### Overall Assessment and Comment

The tender submission from CAMMS achieved a highest ranking in accordance with the assessment criteria and weightings as detailed in the PEP. Please see Confidential Attachment for documents relating to the Tender Assessment.

The following rankings take into account the initial technical assessment and provide the basis for shortlisting following the demonstration stage:

<b>Tenderer</b>	<b>Ranking</b>
CAMMS	1
LG Software (Pulse Software)	2
ICT360	3
Accenture (Prime Q)	4
Fusion 5	5

### **Evaluation Criteria 5 – Pricing for the goods/services/works offered**

Pricing is not included in the qualitative criteria and is considered as part of the overall value for money assessment. The following table illustrates the price ranking for years 1-3 for the shortlisted tenderers. Please see Confidential Attachment for documents relating to this Tender.

<b>Tenderer</b>	<b>Ranking</b>
LG Software (Pulse Software)	1
CAMMS	2
Accenture (Prime Q)	3
ICT360	4
Fusion 5	5

### **Value for Money Assessment**

Tendered prices were applied in the overall value for money assessment. Please refer to the Confidential Attachment for the overall price assessment.

CAMMS was the only vendor that was able to demonstrate all the system requirements as per the demonstration package and illustrated a high level of corporate performance experience and knowledge within the local government industry. CAMMS provided competitive pricing within the budget expectations. Based on the initial assessments and the outcome of the demonstrations it is therefore recommended that CAMMS is the successful tenderer. Please see Confidential Attachment for documents relating to the demonstration process.

### **Consultation**

Operational Managers were consulted throughout the process and feedback was provided to inform the procurement of a corporate Performance Management Solution.

### **Statutory Compliance**

Tenders were invited in accordance with the requirements of Section 3.57 of the *Local Government Act 1995*. The tendering procedures and evaluation complied with the requirements of Part 4 of the *Local Government (Functions and General) Regulations 1996*.

### **Strategic Implications**

The proposal aligns with the following objective with the Strategic Community Plan 2017 – 2027:

“3 Civic Leadership – Working with others to ensure the best use of our resources.

3.3 Progressive Organisation – Lead excellence and innovation in local government.”

### Enterprise Risk Management Considerations

<b>Risk Title</b>	<b>Risk Rating</b>
CO-O02 Technological Advancement	Moderate
<b>Accountability</b>	<b>Action Planning Option</b>
Director Corporate Strategy & Performance	Manage
<b>Risk Title</b>	<b>Risk Rating</b>
CO-O25 System Security	Moderate
<b>Accountability</b>	<b>Action Planning Option</b>
Director Planning & Sustainability	Manage
<b>Risk Title</b>	<b>Risk Rating</b>
CO-O06 Data and Information Management	Moderate
<b>Accountability</b>	<b>Action Planning Option</b>
Director Corporate Strategy & Performance	Manage
<b>Risk Title</b>	<b>Risk Rating</b>
CO-O09 Integrated Reporting	Moderate
<b>Accountability</b>	<b>Action Planning Option</b>
Director Corporate Strategy & Performance	Manage
<b>Risk Title</b>	<b>Risk Rating</b>
CO-O19 Decision Making	Moderate
<b>Accountability</b>	<b>Action Planning Option</b>
Director Corporate Strategy & Performance	Manage

The above risks have been identified and considered within the City's Corporate Risk Register.

### Financial and Performance Risk

#### Financial Risk

A financial risk assessment was undertaken as part of the tender evaluation process and the outcome of this independent assessment advised that CAMMS has been assessed with a 'sound' financial capacity to meet the requirements of the contract. CAMMS is a member of the WALGA Business Systems Software & Services Preferred Vendor Panel and has an acceptable risk rating.

#### Performance Risk

Independent reference checks from three nominated referees were received and have indicated that the recommended tenderer has satisfactory performance especially in the local government industry. Please see Confidential Attachment for documents relating to reference checks.

### Social and Environmental Considerations

CAMMS has considered questions 1-4 of Schedule 3B – Tenderer's Response to Social and Environmental Considerations and deems them as not applicable (NA) for a SaaS provider. With respect to environmental management system CAMMS has its own Environmental Management Policy, which complies with ISO 14001.

CAMMS also stated their firm commitment to give back to the community and strongly recognises the importance of being a strong corporate citizen.

### Broader Economic Impact Implications for the City of Wanneroo

The standard Schedule was included in the Tender document and CAMMS stated that two employees live locally and that no additional staff would be required should they be awarded this contract.

**Policy Implications**

Tenders were invited in accordance with the requirements of the City's Purchasing Policy.

**Financial (Budget) Implications**

The budget associated with PR-4069 (\$190, 000) provides for the implementation and first year of licensing for the Corporate Performance Management Solution.

Funding for licensing fees in Year 2 and onwards forms part of the IT operating costs and is not included within the project budget. The expected ongoing licensing fees are \$70,065 per annum.

**PR-4069 PMO18059**

Description	Expenditure	Budget
<b>Budget:</b>		
Year one implementation and licensing fees (capital)		190,000.00
<b>Capital Expenditure: (PR-4069)</b>		
Advertisements	306.00	
Project Management	2,750.00	
Tender Advertisements (Tender and Public Notices)	618.00	
Financial Assessments x2	679.80	
<b>Total capital expenditure</b>	<b>4,353.80</b>	
Commitments 2019/20		
- <i>Subscription and licencing (year 1) – unlimited users</i>	70,065.00	
- <i>Implementation</i>	80,000.00	
- <i>Project Management and Contengencies</i>	35 581.20	
<b>Total commitments</b>	<b>185,646.20</b>	
<b>Total Funding</b>	<b>190,000.00</b>	
<b>Funding Provision required in 2019/2020</b>	<b>185,646.20</b>	

**Recommendation**

That the Acting Chief Executive Officer, in accordance with Delegation 1.1.14 - Choice of Most Advantageous Tender of the Delegated Authority Register for the awarding of tenders ACCEPTS the tender submitted by CAMMS for Tender 19080 subject to satisfactory resolution of commercial terms for the provision of a Corporate Performance Management Solution for a period of three years, at a fixed cost of \$290,195 inclusive of implementation and licensing costs and in accordance with the conditions of tendering.

**SUBMITTED BY CORPORATE PERFORMANCE ADVISOR**

  
SIGNATURE

7/10/19  
DATE

**REVIEWED BY MANAGER CONTRACTS & PROCUREMENT**

  
SIGNATURE

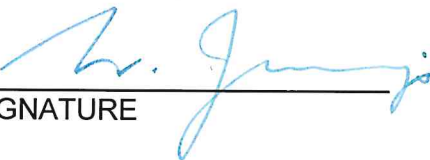
7/10/19  
DATE

**ENDORSED BY MANAGER STRATEGIC AND BUSINESS PLANNING**

  
SIGNATURE

8/10/19  
DATE

**RECOMMENDED BY DIRECTOR CORPORATE STRATEGY AND PERFORMANCE**

  
SIGNATURE

8/10/19  
DATE

**APPROVED BY ACTING CHIEF EXECUTIVE OFFICER**

  
SIGNATURE

10.10.19  
DATE