

TENDER RECOMMENDATION REPORT

TO: CHIEF EXECUTIVE OFFICER

CC: MANAGER PEOPLE & CULTURE

FROM: DIRECTOR CORPORATE STRATEGY AND PERFORMANCE

FILE REF: 29243V02 – 19/424795

DATE: 20 November 2019

TENDER 19172 - PROVISION OF HUMAN RESOURCE RECRUITMENT SYSTEM

Issue

To consider Tender No: 19172 for the Provision of Human Resource Recruitment System.

Background

The purpose of the Request for Tender (RFT) is to procure and implement an online (web based) recruitment system. The City currently utilises a system provided by Equifax (previously known as Mercury). The existing contract has been extended until 30 June 2020.

Detail

Tender 19172 for the Provision of Human Resource Recruitment System was advertised on 31 July 2019 and closed on Thursday 15 August 2019.

No Addenda were issued for this Tender.

Essential details of the proposed contract are as follows:

Item	Detail
Contract Form	Goods & Services
Contract Type	Fixed Lump Sum & Schedule of Rates
Contract Duration	3 Years
Commencement Date	1 January 2020
Expiry Date	31 December 2023
Extension Permitted	Yes, 2 x 12 month, or part thereof
Rise and Fall	Maximum Perth All Groups CPI increases upon extensions

As the current contract with Equifax ceases 30 June 2020 there will be a 6 month overlap of the two contracts to allow for system configuration prior to going live on 1 July 2020.

Tender submissions were received from the following:

- Equifax Australasia Workforce Solutions Pty Ltd (Equifax)
- PeopleStreme Pty Ltd (PeopleStreme)
- Accenture Australia Pty Ltd T/A PrimeQ (PrimeQ)

The Tender Evaluation panel comprised:

- Coordinator Capability & Culture (Chair)
- Learning & Development Advisor
- Business System Analyst
- Human Resource Officer

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	Functional Requirements	60%
2	Non Functional Requirements	25%
3	Reference Ability	15%
4	Price (assessed under Value for Money)	Not Weighted

Pricing is not included in the qualitative criteria and is considered as part of the overall value for money assessment. The minimum acceptable baseline for Qualitative Criteria is set at 50% with acceptable minimum scores required for each qualitative criterion.

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

An initial technical assessment of the evaluation criteria was completed utilising the information provided by the tenderers to determine if the tenders met the minimum requirements for each criterion. The information detailed below provides the outcome of the initial technical assessment.

Evaluation Criteria 1 - Functional Requirements 60%

The tenderer submissions were evaluated to determine the functional capability of the proposed system. The functional requirements category consisted of 36 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:

Tenderer	Ranking
Equifax	1
PrimeQ	2
PeopleStreme	3

All three tenderers met the minimum requirements for this criterion.

Evaluation Criteria 2 - Non Functional Requirements 25%

Assessment of non-functional requirements considered the systems security measures, inclusive of disaster recovery, change management, implementation and support and maintenance. The assessment criterion has resulted in the following ranking:

Tenderer	Ranking
Peoplestreme	1
PrimeQ	2
Equifax	3

All three tenderers met the minimum requirements for this criterion.

Evaluation Criteria 3 - Referenceability 15%

The tenderer's resources as presented in their tender submission were assessed in order to evaluate reference ability to meet the requirements of the contract. The assessment of this criterion has resulted in the following ranking:

Tenderer	Ranking
Equifax	1
PeopleStreme	2
PrimeQ	3

All three tenderers met the minimum requirements for this criterion.

Overall Qualitative Weighted Assessment and Ranking

Tenderer's submissions were reviewed in accordance with the Procurement and Evaluation Plan with the following key observations:

The overall qualitative weighted assessment resulted in the following tenderer ranking:

Tenderer	Ranking
Equifax	1
PrimeQ	2
PeopleStreme	3

Pricing Assessment

The overall pricing assessment resulted in the following tenderer ranking:

Tenderer	Ranking
Equifax	1
Peoplestreme	2
PrimeQ	3

The pricing assessment considers the implementation and licensing costs for the initial 3 years of the contract against the City's approved budget. Both Peoplestreme and Equifax met the City's budgetary requirements however Prime Q did not meet the budgetary requirements and therefore did not progress to the demonstration stage. Refer to Confidential Attachment for detailed price assessment.

Demonstration of Solutions

Both Equifax and Peoplestreme provided demonstrations of their tendered systems to the evaluation panel and key stakeholders. The demonstrations provided clarification around system functionality and any additional costs that may be required to achieve the City's preferred solution.

Overall Value for Money Assessment and Comment

The tender submission from Peoplestreme satisfied the overall value for money assessment in accordance with the assessment criteria and weightings as detailed in the Procurement and Evaluation Plan and is therefore recommended as the successful tenderer.

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

Risk Title	Risk Rating
CO-O02 Technological Advancement	Moderate
Accountability	Action Planning Option
Director Corporate Strategy & Performance	Manage
Risk Title	Risk Rating
CO-O25 System Security	Moderate
Accountability	Action Planning Option
Director Planning & Sustainability	Manage
Risk Title	Risk Rating
CO-O06 Data and Information Management	Moderate
Accountability	Action Planning Option
Director Corporate Strategy & Performance	Manage
Risk Title	Risk Rating
CO-O08 Contract Management	Moderate
Accountability	Action Planning Option
Director Corporate Strategy & Performance	Manage
Risk Title	Risk Rating
CO-O19 Decision Making	Moderate
Accountability	Action Planning Option
Chief Executive Officer	Manage

Financial and Performance Risk

Financial Risk

A financial risk assessment was undertaken as part of the tender evaluation process. The outcome of the financial risk assessment resulted in low level risk mitigation strategies to be implemented as part of the agreed commercial terms. Please refer to the Confidential Attachment for the Financial Risk Assessment.

Performance Risk

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

Social and Environmental Considerations

PeopleStreme 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 systems, PeopleStreme are ISO9001 and ISO27001 certified.

Broader Economic Impact Implications for the City of Wanneroo

The standard Schedule was included in the Tender document and PeopleStreme stated that nil 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 costs associated with the implementation and first year of licensing (\$101,000) are contained within the overall project budget.

Funding for licensing fees in Year 2 onwards forms part of the IT operating costs and is not included within the project budget. The expected ongoing licensing fees are \$65,000 per annum.

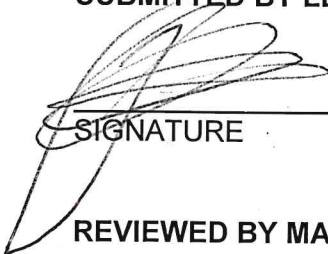
PR4077 PMO 18047

Description	Expenditure	Budget
Budget:		
Year one implementation and licensing fees (recruitment, onboarding & Exiting) – Capital		190,166.00
Capital Expenditure: PR4077 (recruitment, onboarding & Exiting)		
Advertisements	592.00	
Financial Assessment	419.00	
Total capital expenditure	1011.00	
Commitments 2019/2020		
<i>Subscription and licensing (year 1)</i>	65,000	
<i>Implementation</i>	36,000	
Total Commitments	101,000.00	
Total Funding	190,166.00	
Funding Provision required in 2019/2020	101,000.00	

Recommendation

That the 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 Peoplestreme Pty Ltd for Tender 19172, subject to satisfactory resolution of commercial terms for the provision of the tendered modules (Recruitment, Contract Generation, Onboarding, and Universal Data Extraction), at a contract sum of \$231,000 inclusive of implementation and licencing costs for years one to three inclusive.

SUBMITTED BY LEARNING & DEVELOPMENT ADVISOR


SIGNATURE

21.11.19
DATE

REVIEWED BY MANAGER CONTRACTS & PROCUREMENT


SIGNATURE

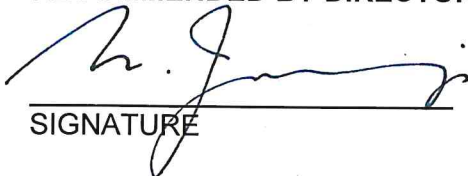
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ENDORSED BY MANAGER PEOPLE & CULTURE


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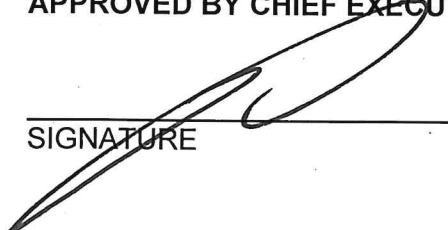
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RECOMMENDED BY DIRECTOR CORPORATE STRATEGY & PERFORMANCE


SIGNATURE

5/12/19
DATE

APPROVED BY CHIEF EXECUTIVE OFFICER


SIGNATURE

9.12.19
DATE