

**OFFICER DELEGATION SCHEME  
RECORD OF OPERATIONAL DECISION**



**TO BE UPLOADED TO THE INTERNET BY DEMOCRATIC SERVICES**

<b>Date:</b>  14 <sup>th</sup> July 2020	<b>Ref No:</b> 214
<b>Type of Operational Decision:</b>	
<b>Executive Decision</b> <input checked="" type="checkbox"/>	<b>Council Decision</b> <input type="checkbox"/>
<b>Status:</b> To be published	
<b>Title/Subject matter:</b> To grant authorisation to award the procurement of an integrated asset management system which is essential to the smooth operation of the new FM team, and the wider embedding of the Corporate Landlord model.	
<b>Budget/Strategy/Policy/Compliance</b> – Is the decision:	
(i) within an Approved Budget	Yes
(ii) in accordance with Council Policy	Yes
<b>Equality Impact Assessment</b> [Does this decision change policy, procedure or working practice or negatively impact on a group of people? <b>If yes</b> – complete EIA and summarise issues identified and recommendations – forward EIA to Corporate HR]	No

Details of Operational Decision Taken [with reasons]:

### Executive Summary

Following a compliant procurement process it is recommended that the Council direct award via the G-Cloud (CCS) framework to Concerto on a 3+1+1 contract. To enhance the Council's ability to deliver FM, additional modules would be purchased: Helpdesk, PPM, and Project Management. This would become the Council's Asset Management Solution for all built assets.

Following a procurement exercise revenue costs for the system would be £20,000 in Year 1, before increasing to £25,000 in Year 2 and 3. Implementation costs (which are to be charged to capital) will be £34,000.

To ensure the procurement meets the Council's digital agenda and within budget, additional engagement has taken place with Finance and I.T. leads, whilst consultation with Members has also taken place, and who have all supported the decision. Likewise, a final report was submitted to the Council's Corporate Landlord Board (CLB) who approved the process, and that the system will meet the Council's ongoing property management requirements.

Sign off is now required that a compliant procurement route has been followed and that the Service can now proceed with Contract award to Concerto. Likewise, agreement is sought that revenue and capital budgets are in place which will be sufficient for the implementation of the new modules, and the ongoing revenue costs moving forwards.

### Requirements

A key objective of the Council is to implement a centralised Hard FM team. Whilst not an exhaustive list, this will include an FM Helpdesk, a comprehensive Compliance function, central management of repairs and maintenance contracts, and the delivery of planned maintenance.

The additional functions critical to the delivery of a centralised FM function include:

- To log issues, to store/process/track them, and then to be sent to the relevant contractor..
- To store certification by asset, tracking when the last test was done, automatically generating orders for the next test, and tracking remedial actions.
- For known issues to be tracked, planned for and managed once they are started.

An enhanced resource will be required to manage Concerto, which is being picked up by the FM restructure, and which will ensure there is sufficient capacity to manage the system, within budget. Responsibility for the system itself and holding the relationship with Concerto would be with the Head of Corporate Landlord.

### Procurement Process

Two compliant frameworks were identified which would offer the Council a route to market. These were

- Fusion 21
- G-Cloud – Crown Commercial Services

Both frameworks offered the option to direct award the contract or to a further mini competition from providers who could supply an appropriate software solution. Key differences between the 2 frameworks were as follows;

- Framework fee – Fusion 21 charged its suppliers 4% framework fees, whereas G-cloud framework fees were 0.75%. These fees are normally passed on to the buyer through the contract pricing so G-cloud gives the cheapest procurement route of the 2 frameworks.
- Flexibility – The G-Cloud framework has been specifically constructed for software and technology solutions. Fusion 21 is mainly a housing repairs and maintenance framework solutions and the procurement route is more rigid in terms of pricing and varying the solution required

The preferred option was therefore to proceed with procuring an Asset Management System via the G-Cloud framework.

## Decision

Following an assessment of the suppliers on the G-Cloud framework and a review of similar software solutions it was identified that a Direct award via the G-cloud framework was the preferred option, the key decisions informing this choice were:

- Offers a quick and compliant solution and the supplier is offering a 28% discount on the framework price.
- Proven local government product and has been designed for Council use, therefore fits the requirement
- Concerto offers all services/functionality which would be required of the new Centralised FM team, and Property team, whilst its navigation is simple and effective
- The Council already use the system therefore the implementation period will be shorter. This is critical as Health and Safety represents a key risk to the Council.
- Mini competition would push back timelines significantly. Intention is for 3+1+1 contract route to give more flexibility once Corporate Landlord model implemented

## Finance and Commercials

Fees will be an annual revenue costs of £20,000 in Year 1, before increasing to £25,000 in Year 2 and 3. The one-off implementation costs, which will be charged to capital – will be £34,000.

The Contract term would be 3+1+1. This will give sufficient reassurance in the short term, whilst allowing flexibility in the medium term once the FM/Corporate Landlord models have been embedded and the Council can evaluate its success.


The Concerto system will be critical to running a centralised FM team, and in line with this, the delivery of savings. Principally, these savings will be facilitated through improved contract management, the consolidation of the c200 contracts to deliver economies of scale, and improved consistency of cost.

It is proposed that the ongoing Revenue costs of the Concerto system are paid for out of savings to be made on building maintenance budgets through the creation of a centralised FM team and the procurement of a new repairs and maintenance contract. These costs have been factored in to FM savings to be made from 20/21 onwards as part of the Service's savings plan.

The implementation costs of the Concerto system (£34,000) are to be funded through Capital, with the intention that this will come from the Council's I.T. digital transformation budgets.



Appendix 1 -  
Additional Concerto

<b>Decision taken by:</b>	<b>Signature:</b>	<b>Date:</b>
Executive Director or Chief/Senior Officer		15/07/2020
<b>Members Consulted [see note 1 below]</b>		
Cabinet Member/Chair		
Lead Member		
Opposition Spokesperson		

## Notes

1. It is not generally a requirement to consult with any Members on Operational Decisions but where a Chief Officer considers it necessary to consult with the appropriate Cabinet Member and/or Lead Member, they must sign the form so as to confirm that they have been consulted and that they agree with the proposed action. The signature of the Opposition Spokesperson should be obtained to confirm that he/she has been consulted.
2. **This form must not be used for urgent decisions.**