

## Appendix 1 – Concerto Additional information

The below includes additional information and narrative on the procurement process followed and the reasons behind some of the decisions taken.

### Requirements

As above, the Council currently has access to an asset management system 'lite' through its use of Concerto, however its usage is incredibly limited, and the Council only uses the system for a small portion of its capabilities. A key objective of the Council, which has been signed off by JET, is to implement a centralised Hard FM team which will itself begin to offer an enhanced array of support services. 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. Moving forwards, it will be critical that an asset management system is in place, which will facilitate the core objectives of the Hard FM team, and that its capabilities are enhanced from how Concerto is currently used and the modules in operation.

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

- If a central FM team is to be created which handles various repairs and maintenance requests, customers need to be able to log issues, the service need to store/process/track them, and they then need to be sent to the relevant contractor. Currently the council have no capability for this, and as was being discussed with processing COVID requests, would essentially need to be done on excel. An asset management system would need a 'helpdesk' module which allows jobs to be tracked and processed.
- Compliance is essentially an unknown corporately and cannot be tracked. If the Council wanted to know how 'compliant' it was in relation to Fire Alarms for example, the Service would be required to contact each building individually and enquire whether the site had Fire Alarms, and if so when was the last test, and where there any remedial actions - a hugely manual process. The Service will therefore require a system which allows them to store compliance certification by asset, tracking when the last test was done, automatically generating orders for the next test, and tracking remedial actions.
- There is essentially no planned/forward works plan in place for any of the buildings and major capital projects are primarily commenced once there becomes an emergency – like the town hall. The Project Management module allows for known issues to be tracked, planned for and managed once they are started.

If the above is not covered, this would mean that the Service would be required to operate on Excel. This would be hugely manual process, incur additional costs in terms of the people required to monitor the above, likely lead to missing data, whilst the functionality and information which could be provided and presented in an insightful way would be significantly diminished.

Whilst clearly there will be less of a resource requirement to manage an asset management system, rather than Excel, there will still be one, and which would be greater than current. This enhanced resource need is being picked up by the FM restructure, which will ensure there is sufficient capacity to manage the system, within budget.

A full review of the systems present on the G-Cloud framework, and their functionality highlighted that Concerto could deliver all of the above, whilst presentation and navigation across the system appeared the simplest.

### Procurement Process

A key issue for the Council is to have an Asset Management software solution that has been procured in a compliant way. At the first Corporate Landlord Board in February, it was suggested that the Council could seek an exemption from procurement regulations and continue to use Concerto for its asset management requirement, develop it further as part of the Corporate Landlord transformation.

However, to ensure the system is procured in a manner which secures value for money to the Council, and prevents any challenge that a compliant procurement process has taken place, two compliant frameworks were identified which would offer the Council a route to market. These were

- Fusion 21
- G-Cloud – Crown Commercial Services

Procuring via a framework gave a compliant route to market and was preferred to an exemption as a new contract could be procured to include current and additional modules required as part of that contract. Exemptions on the other hand would be temporary in nature and would not offer the flexibility to expand the use of any system without further exemptions being made and this is not good procurement practice.

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.

Both frameworks were reviewed and discussions held with the framework leads. The 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 by Crown Commercial Services for software and technology solutions and had experienced support and advice for users of the framework. Fusion 21 is mainly a housing repairs and maintenance framework and did not have specific expertise in buying software solutions and the procurement route is more rigid in terms of pricing and varying the solution required from the original framework submissions.

Therefore, on balance, the G-Cloud framework offered the opportunity to have more flexibility in terms of pricing to secure improved value, framework fees were less to again ensure reduced costs, the framework has been specifically set up for software services, and the support offered by CCS in managing the procurement process was more enhanced than that of Fusion 21.

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

### Decision

The Concerto suite of modules is a Computer Aided Facilities Management (CAFM) solution that was developed in 2004 for use in Local Authority Property and Asset Management departments. There are currently around 60 local authority users of the system as well as some Fire Services and Universities.

Current users include;

- Blackburn with Darwen Council
- Blackpool Council
- Gateshead Council
- Sheffield City Council
- Cornwall Council
- Islington Council
- Portsmouth Council

This a proven, widely used, software solution that is designed to meet the needs of Local Authorities and so should be suitable for the needs of Bury operating under the Corporate Landlord model.

Additional modules will be required to meet the needs of the new service, these are

- Help desk – single point of contact to report R&M, FM jobs to record and raise orders to the contractor.
- Planned Preventive Maintenance (PPM) – will manage compliance activity and alert when planned activity is required.
- Project Management – the tool used to phase planned maintenance works once condition surveys have been completed.

Following an assessment of the above, and 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 – if a different system implementation would cost more and take longer (18 months) meaning Council would only start to realise benefits towards end of contract.

### Finance and Commercial

As above, the current fees paid by the Council for access to Concerto are £15,000 per annum, although note this is for a reduced service and does not contain the majority of modules/capabilities the Council need going forward. £13,500 is paid by Education and £1,500 by Property.

Given the new services/modules to be operated by the Council, the fees paid to Concerto are to increase– this will see an increase in annual revenue costs to £20,000 in Year 1, before increasing to £25,000 in Year 2 and 3, reflecting the Councils use of the full system once the new modules have been implemented. Likewise, the procurement of any additional system would incur one-off implementation costs, which could be charged to capital – these will be £34,000.

Given the substantial period of change which the Council is entering in to in relation to Property/FM – the procurement of a repairs and maintenance contract, the creation of a centralised FM team, the need to baseline compliance, the need to baseline asset condition, and the move towards a Corporate Landlord model – the length of contract will need to be sufficient for these changes to become embedded. It is therefore intended that 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.

As referenced in the 'Requirements' section above, the Concerto system will be critical to running of a centralised FM team, and in line with this, the delivery of savings. Whilst there are a number of savings attached to the creation of an FM team, structural, income generation etc. a significant portion relates to savings to be made against building maintenance budgets. 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. To do this, the new FM team must have an asset management system which allows them to easily manage suppliers, to monitor invoices, and manage the end to end process of job management from raising to completion. Without such a system, the team would be required to manage this whole process manually, via phone call, and recording information on Excel. Clearly, this would not lend itself to being an efficient process and require far more resource to be effectively managed. Fundamentally, therefore, the Concerto system is critical to the delivery of revenue savings to the Council.