

Meeting:	Cabinet
Date:	20 September 2005
Subject:	Business Transformation Partnership
Responsible Officer:	Executive Director (Business Development)
Contact Officer:	Carol Cutler (Director, Business Services)
Portfolio Holder:	Business Connections and Performance
Key Decision:	Yes
Status:	Part 1 Appendices E to J have been excluded from Part 1 of the Agenda on the grounds that they contain exempt Information under Paragraphs 8 and 9 of Part 1 of Schedule 12A of the Local Government Act 1972 in that they contain information relating the amount of expenditure proposed to be incurred by the authority for the supply of goods or services and to terms proposed in a contract for the supply of goods or services.

Section 1: Summary

Decision Required

1. That Capita Business Services Limited be appointed as the Council's strategic business partner.
2. That Fujitsu be informed of the Council's decision to appoint Capita.
3. To note that in order to comply with the Office of Government Commerce advice and following the decisions outlined above, there will be a 10 day cooling off period, before the Incremental Partnership Agreement can be completed between Capita and the Council.
4. That the Director of Legal Services arrange for the Agreement (as outlined in this report) to be signed and sealed by the Mayor.

5. That the Director, Business Services be authorised to make any minor amendments to the agreement as she is advised, provided there are no material differences to the terms described in this report.
6. That regular progress reports be considered by Cabinet when it meets as the Council's Performance Board.
7. That a report be presented to the next Cabinet meeting on arrangements for and membership of the Partnership Board.
8. That it is agreed in principle to draw down £437k from general reserves in 2006/07 and £640k in 2007/08 to support the Business Transformation Partnership on the understanding that these sums will be repaid in future years, and it is noted that the use of reserves will be incorporated in the medium term financial strategy for 2006/07 to 2008/09 and subject to approval by both Cabinet and Council as part of that strategy in February 2006.

Reason for report

To complete the procurement of a strategic business partner .

Benefits

The Partnership between Harrow and Capita will deliver significant financial and non-financial benefits, and represents a good overall deal. This view is supported by both Eversheds (the Council's legal advisors) and Price Waterhouse Coopers (PWC) (the Council's commercial and financial advisors). The Council has achieved significant risk transfer and agreed all legal and commercial issues within the negotiation framework set out by Eversheds.

Details of the financial benefits are enclosed in the confidential part 2 Appendix I. In addition to the financial benefits, the non-financial benefits are also significant.

As this is an incremental Strategic Partnership Harrow has the ability to approve future projects using the framework of the agreement. This will reduce the cost of procurement and enable the Council to move much more quickly to deliver future projects. This will be done in the context of working with a Partner who understands the strategic direction and current priorities of the Council.

The initial projects, First Contact, Improved Operational Systems and Management Information Systems (MIS) will also deliver non-financial benefits. For example we will be able to significantly improve our management of customer contact through the new First Contact facilities. This will improve the experience of visitors to the Civic Centre and enable officers to capture information about the number and nature of enquiries, allowing us to be more pro-active in the effective delivery of Council services.

The implementation of the SAP (Software and Programmes) ERP (Enterprise Resource Planning) system will make the Council a far easier organisation to deal with for all our partner organisations and provide the functionality to allow the Council to deal with potential future changes, such as providing a Euro-compliant finance system and performance-related pay capability.

The new Management Information Systems (MIS) will provide a single source of corporate information and make this more readily available to both Members and managers.

Cost of Proposals

The total cost of the initial three projects under the contract, partnership services for the life of the contract and the ICT improvement plan is in the order of £45m over 10 years.

Risks

Both the procurement, and more recently the ongoing partnership arrangements, have been the subject of rigorous risk management processes.

The Council has carried out a thorough risk evaluation, details of this are set out at Appendix G.

Capita has also produced its own risk register and shared this with the Council as part of the procurement process.

All identified risks will be managed under the partnership governance arrangements with the Programme Board taking primary responsibility for monitoring and escalating issues as necessary.

The Council has achieved a significant amount of risk transfer to Capita in the agreement. Examples are:

- i) Capita are prime contractor taking risk and responsibility of delivery by their sub-contractors
- ii) Fixed price contract means Capita take the risk on resources
- iii) Refresh risk on software and hardware transferred to Capita
- iv) Risk of successful data cleansing transferred to Capita
- v) Capita have profit at risk in the delivery of cashable benefits

Implications if recommendation is rejected

If the option of a strategic partnership is rejected, the basic Council needs which it is designed to meet would still have to be addressed.

The most obvious alternative would be conventional contracts with third parties to deliver the projects prioritised by Harrow. Given the scale of such contracts, there would be a delay of several months before they could be let. In addition, the market is likely to be nervous of Harrow and increase its prices should Harrow reject the current deal, given the time and expense incurred by both Fujitsu and Capita in getting to this stage.

In addition it is unlikely that such an approach would enable the Council to transfer risk as effectively as it has, or to achieve the financial benefits negotiated as part of the Partnership contract.

Section 2: Report

2.1.1

In October 2003 Cabinet agreed the Council's strategy for ICT. This strategy set out a comprehensive agenda for the next 5 years and highlighted the inherent weaknesses in the Council's existing diverse legacy systems. This strategy was part in response to CPA and IDEA reviews of Harrow, which highlighted that underinvestment in ICT was severely limiting the performance of the Council. In addition, the First Contact Best Value review clearly indicated that the existing customer service arrangements were disparate, varied in quality and in need of investment.

2.1.2 Why a Partnership

The proposal for a Partnership has come from the Council's aim to become one of the top performing local authorities in the country and the drivers noted above. To achieve this the Council needed to move resources from internal Council back office functions, to customer-facing front office functions. This would allow the Council to both improve the services we currently provide and increase the diversity of the services offered. The shift of resources from the back office to the front office would allow the Council to deliver these improvements to service without increasing the burden on local Council Tax payers.

The objective of the partnership to create efficiency savings within the Council's internal processes and reinvest in Council services is in keeping with the recommendations and targets set by the Gershon report. The improvements the projects will bring to the Council will form an integral part of raising the Council's CPA rating. For example, First Contact will help the Council reach targets relating to citizen access and e-government, while the management information and improved operational systems projects will provide vastly improved decision support to managers across the Council.

Without a partner, the Council would still need to carry out a large part of the work earmarked for the partnership, as the Council would still require new methods of service delivery and a robust infrastructure to support the organisation in the delivery of the type of services that will make a visible difference to the people of Harrow. For the Council to implement this independently would require a shift in the skill sets of Council employees, would be more costly, produce less savings, take a longer time, and potentially not be deliverable without a partner.

2.1.3 Brief History

Due to the number of different partnership models being developed by Local Authorities nationally and the fact that many of them are not sufficiently advanced to be proven, consultants were employed to advise the Council on the best way forward.

The consultant's brief was as follows:-

Stage 1

Analyse the current partnership market and produce a report for consideration by senior managers and Members.

Understand the current position in Harrow.

Consider the options available for the different types of strategic partnerships.

Prepare a report setting out the advantages and disadvantages of the different options as they relate to Harrow.

Stage 2

Work with the Director Of Business Services and the Executive Director (Business Connections) to develop a specification and success criteria for the chosen partnership route.

The consultants considered that, of the options, only two fully meet the Council's needs. The two options are a major Strategic Partnership and an ICT and Major Projects Partnership. It was the view of the consultants that the other options considered and combinations of them only partially satisfy the Council's needs.

The consultants believed that the major Strategic Partnership would be more appropriate if the Council was seeking a partner over a broader range of services than purely ICT. They also acknowledged that there are likely to be significant risks and procurement difficulties attached to this option as there would be a limited market available to provide this option.

As the Council's intent was to seek a partner to help in the delivery of the ICT strategy, rather than a wider portfolio of services, the consultants recommended the procurement of an ICT and Major Projects partner. This would carry less risk and procurement difficulties than the Strategic Partnership option, as there was likely to be a larger market of potential partners.

On 13th January 2004, Cabinet agreed to the procurement of a major projects partner. On 15th June 2004, Cabinet agreed the procurement process and authorised officers to place an OJEU Notice.

With guidance from our legal advisors, Eversheds, a rapid procurement process was drafted, compressing the procurement timetable from two years to one. The long listing of seven potential partners was completed on 19 August 2004, following consultation with the ICT Members Forum. The membership of the ICT Members Group is:

Councillor Dighe (Chair)
Councillor Chris Mote
Councillor Paddy Lyne
Councillor Ingram
Councillor Idaikkadar
Councillor Choudhury

The short-listing of three potential partners was completed by October 2004, again in consultation with the IT Members Forum. The three short listed candidates were then invited on site in mid October, to work alongside the

Council in developing the approach and content of the Invitation to Negotiate (ITN), and begin their due diligence work.

Bids were received from two potential Partners, Fujitsu and Capita, on 1st April 2005. A series of clarification questions from Members, advisors and project team leaders, were developed through April. The Council requested that the potential Partners consolidate their bids into series of schedules to aid clarity and inform the Council's decision on the next phase of the procurement process.

On 19th May 2005, Cabinet delegated the decision to choose a preferred supplier or to progress to a Best and Final Offer (BaFO) to the Portfolio Holder for Business Connections and Performance. In line with the recommendation of the evaluation team, and following consultation with the Members IT Forum, the Portfolio Holder agreed to undertake a BaFO.

The Council was in negotiations with both partners from the end of May 2005. Following submission of the BaFOs on 27th July teams from across the Council completed the evaluation against agreed criteria. The decision on the preferred supplier was delegated to the Portfolio Holder for Business Connections and Performance Management. Following recommendations from officers, and consideration by the IT Members Forum, Capita were appointed as preferred bidder.

The Members IT Forum agreed a detailed negotiations protocol and officers were delegated to negotiate within the framework. The protocol entailed the creation of a hierarchy of documents, contract schedules and supporting appendices. The contract was in the form of the draft agreement circulated to the bidders at ITN (Invitation to Negotiate). The contract built upon the content of the Initial Services Schedules, Pricing Schedule, Price Performance Mechanism Schedule and Service Level Agreement that had been developed through the BaFO stage.

The negotiation process involved a series of iterations of key documents against a structured timetable. There was an escalation process in case the core negotiating team could not resolve any issues. This was not required. Harrow's negotiating team consisted of the Director of Business Services, the Group Manager (Procurement and Community Links) and advisors from Eversheds and Price Waterhouse Coopers.

2.1.4 The Partnership

The Partnership will last at least 10 years and the total potential value of the contract is £100m. Since it is an 'incremental partnership' it will involve an evolving programme of activities. But at the outset the initial three projects will cost £45million. These are:

- First Contact
- Improved Operational Systems (also referred to as ERP)
- Management Information Systems

The Partner will also support the development of Harrow's IT services, improving performance and developing new skills. Further details on the IT support to be provided can be found in the summary of the Capita bid, located at Appendix B. At a wider level the partner will transfer knowledge into the Council in areas such

as project management, business process re-engineering and change management.

2.1.5 First Contact

The First Contact project will completely modernise the way the Council interacts with its customers. Capita will develop a multi-channel contact centre that will enable the majority of requests to be resolved at the first point of enquiry. The contact centre will deal with incoming and outgoing phone handling, fax contact, scanned post and provide an SMS text service. Alongside the contact centre a one stop shop will be established in the Civic Centre, which will provide access to services from a single point. Six additional service access points will be established at strategic points across the borough. These will be supported by a further nine automated kiosks, which will further widen the reach of service accessibility into Harrow's communities.

Capita will provide the IT infrastructure required to provide the First Contact services, including integration with Council systems. Capita will also assist with the recruitment of First Contact staff, and provide staff development to equip staff to deliver a high quality service that meets customer needs.

The First Contact project will allow the public to contact the Council in a way convenient to them, rather than contacting the Council in a way convenient for the Council. Following the roll-out of the service access points, customers will be able to discuss issues face to face with Council staff without always having to travel in to the Civic Centre.

The Call Centre will provide the public with a reduced range of phone numbers to contact the Council on, ending the confusion of the large variety of contact numbers the Council currently has. Staff in the call centre will be able to deal with a variety of queries rather than having to transfer customers from department to department. This will eventually result in 80% of all calls to the Council being resolved at the first point of contact. First Contact will provide staff with the tools and resources to provide customers with an enhanced service.

2.1.6 Improved Operational Systems

Capita, through their sub-contractors Axon will implement SAP ERP (Enterprise Resource Planning) software across the Council's back-office systems.

SAP includes a world leading Financials system that has an extensive range of capabilities and will improve the Council's ability to process and interpret financial data, streamline financial transactions and conduct e-business successfully.

The new ERP solution will provide detailed, accurate and timely financial information. The ERP approach will create a standard approach to financial management across the Council, with all departments following the same procedures. The vision is to have a sophisticated system that has high levels of automation, allowing finance staff to concentrate on providing advice and support, rather than entering and processing data. The system will also standardise reporting at all levels and improve control and monitoring.

The integrated HR system will bring together the Council's existing diverse human resources and payroll systems, giving a single view of employee data. The self service application will give managers access to the information they need to manage while employees will be able to take responsibility for and control their personal data.

The introduction of one unified HR and payroll system will remove the requirement on HR to manually transfer data between the two existing systems, as they currently do, allowing more HR resource to be focused on consultancy work. HR information will be far easier to access both by staff and managers, as well as on-line career progression information and vastly improved recruitment processes.

The implementation of SAP will facilitate the oversight of procurement decisions across the Council. Strategic sourcing principles will be applied to deliver procurement savings across the Council. Using the new ERP system it will be easier to control contracts and procurement across the Council, enabling the rationalisation of suppliers, allowing the aggregation of spend and hence improving buying power. People from finance will be freed up with the fewer transactions, while the Council will be able to begin to monitor and control spend (and choice) at the point of purchase rather than payment.

The implementation of an ERP system will see one software package used for procurement, Human resources, payroll and finance services. This will make it will be far easier to share information across the Council and each employee will have one set of records, rather than the several held on each system currently. This will improve the quality of the data held by the Council, giving one single 'view of the truth'. In addition, having one system for back office functions with far greater levels of automation than there are currently will free up resources across the Council back office. For example, resources in HR can be directed toward providing support for managers and staff rather than entering data onto systems.

2.1.7 Management Information Systems

The Management information solution will deliver a joined-up set of analysis and reports enabling the Council to query a variety of data sets and drill down to underlying systems. There will be automated interfaces into several systems, including SAP, EMS and Core logic, which cover some of the Council's key areas of services, such as education and social services. Area reporting will allow the Council to report on many of the vitality profiles automatically, including the provision to provide cross-departmental reporting by post-code and area/ward.

2.1.8 Potential Future Projects

Future projects will be determined by the Council on the basis of business cases submitted by Capita. The decision as to which projects to undertake (and indeed whether to award any future projects under the partnership) will be entirely the Council's. However, as part of the bidding process, Capita were requested to submit proposals for future projects. Please note that future projects listed below are not part of the bid.

- Authentication and personalisation – developing a single sign on capability for customers through a customised, secure and personal service on the web
- Knowledge, information and documentation – developing an organisation wide approach to knowledge and information management and building on the basic architecture laid down in the First Contact solution to meet the knowledge and information requirements of the Council.
- Property rationalisation and flexible working – rolling out the implications of the BT solution into flexible working and property rationalisation, offering the potential to drive further cashable savings.
- Traded shared services – introducing a shared services centre within the Council and leading on to trading such shared services with external partners through a Joint Venture Company.
- Kiosks – developing First Contact by extending the use of kiosks throughout the Borough in order to develop a wireless network.
- Desktop services and helpdesk – a comprehensive service and support solution for the entire range of desktop, laptop, peripheral devices and helpdesk.
- Highways and property procurement – improving highways and property procurement through the establishment of a Partner

The Council has also identified several prospective projects for the future:

- Replacement of APLAWS for the website
- Mobile working for areas of Urban Living
- Electronic client records for People First

2.1.9 Governance Arrangements

A summary of the governance structure is enclosed at Appendix C. Within this there are a couple of key points for Members to note. Firstly, Members should note the Membership of the Partnership Board. From the Council side, it is anticipated that the leaders of the political parties and the Portfolio Holder with responsibility for Finance or the Deputy Leader will sit on the Partnership Board. However, this is a matter for Member consideration and it is proposed to bring a more detailed report to Cabinet on 6 October 2005.

2.2 Consultation

Prior to the start and throughout the procurement exercise, UNISON has been kept informed on progress towards selection of a partner and originally invited to join the Project team. They have received copies of project team papers and received responses from both bidders to questions they have put to them. An HR Working Group was established early in the process, involving management and UNISON representatives, which met periodically to address people-related issues.

As we go forward, the extent of consultation and communication with UNISON and staff has increased in order to meet the demanding timescales that have been set and to ensure support for staff in the transition towards new

environments. To that end, agreement to full-time release for a UNISON steward for the first six months has been given to focus solely on work arising from the Business Transformation Partnership. As part of this consultation, UNISON has been invited to make a statement to this Cabinet on the Business Transformation Partnership.

The BTP and draft agreement has been the subject of ongoing consultation with UNISON at a series of meetings held throughout 2005 and UNISON's comments and views on matters affecting the workforce are incorporated into the final agreement. Additional Trade Union facility arrangements were agreed in order to facilitate UNISON's participation.

There are significant implications for staff arising from achievement of the first initial projects. Under First Contact, these include a requirement to:

- define different roles to those that currently exist and introduce recruitment, selection and assessment processes that ensure that the One Stop Shop and Contact Centre are staffed by those with the required competence levels. That is likely to result in redeployment of large numbers of staff into other roles across the Council where that is possible and potentially to require voluntary redundancy and early retirement
- sharpen employee focus on achieving industry-standard performance and productivity targets
- introduce revised working patterns to reflect extended opening hours in the One Stop Shop and Contact Centre.

The project to improve Operational Processes will involve extensive redefinition of roles, firstly in those areas where ERP (Enterprise Resource Planning) will be introduced, but then extend across the Council to all those roles that play a part in those processes.

The Overview and Scrutiny Committee have received regular reports on both the project management process, and procurement. They have noted the rigorous risk management approach and the pro-active communications activity. The Chair of the Overview and Scrutiny Committee has been invited to the meeting of the IT Members Forum to consider the appointment of a preferred supplier.

Members have been kept informed via a comprehensive communications plan, drawn up at the outset of the project. The communications plan targeted key groups across the Council and externally, and highlighted the messages to be delivered.

UNISON comments

Although UNISON does not agree in principle that it is necessary to enter into a partnership with the private sector however, the Branch will work with the Council and Partner to ensure the best interests of its members and services.

UNISON has also expressed concerns regarding the timescales for implementation of the Partnership.

2.3 Workforce Issues

There is no TUPE transfer of Council employees at the Commencement Date and no such transfer is contemplated in the initial three projects. A transfer of staff will only take place as a result of a future project or change in the provision of the Services.

When considering any future project or change, the Council and Partner will consider whether any Council employees will be affected and, if so, whether there is a TUPE transfer situation or whether employees will be seconded to the Partner/the Council.

In the event that there is a TUPE transfer, the Council will provide details regarding any transferring employees to the Partner. The Council gives a warranty that all of the information provided is full and accurate in all material respects. There are similar requirements upon the Partner to provide employee information to the Council and/or any new sub-contractor. The Partner also warrants the accuracy of the information.

The Partner must comply and ensure any sub-contractor complies with its obligations under TUPE.

There are mutual indemnity provisions so that the Council is responsible for employee claims prior to the transfer date and the Partner responsible after the transfer date.

The Partner agrees that the Redundancy Payments (Continuity of Employment in Local Government arrangements etc) (Modification) Order 1999 applies.

The Partner must comply with the “Two Tier Workforce” Code and use reasonable endeavours to ensure any sub-contractor complies. The Partner is obliged, following a reasonable request, to provide the Council with information to assess compliance with the Code and in the event that the Partner or sub-contractor does not comply, the Partner indemnifies the Council in respect of all costs and expenses incurred in seeking to enforce the Code.

The contract also details basic provisions for a secondment arrangement. If the parties agree that secondment is appropriate, further discussion will need to take place to agree a secondment agreement.

2.4 Financial Implications

The contract is structured so that there are capital and revenue payment streams, guaranteed savings and potential additional savings. In addition to the contract price the Council will incur costs for the accommodation at Aspect Gate and day to day running costs. It would also be prudent for the Council to provide a contingency in the budget.

The total costs associated with the project over the first 3 years are summarised below. Confidential detailed costings are itemised in the confidential part 2

appendix I. Due to the timing of payments and savings there is a net cost in the earlier years and a net saving in later years.

The Council's existing capital programme includes a provision for the BTP and the existing revenue budget includes the associated capital financing costs, some assumed savings from ERP and First Contact and a small amount of IT growth. The net impact of these items is also shown below.

	2005/06 £000	2006/07 £000	2007/08 £000	Total £000
Total cost of project (contract price plus Council costs, net of guaranteed savings)	1,039	858	460	2,357
Existing Council budget	25	185	(180)	30
Net Position	1,014	673	640	2,327
Contribution from rate rebate	1,014	236	0	1,250
Funding Gap	0	437	640	1,077

Cabinet previously agreed to contribute £1.25m to the project from the rate rebate due this year to help manage the short term costs. Once this has been applied, there is a funding gap of £1,077k across 2006/07 and 2007/08. The position has changed since the previous cabinet report due to rephasing of the payments and savings and the inclusion of the Council's own costs.

There are two options for bridging this gap:

- i) Use general reserves on the basis that they will be repaid from savings in later years
- ii) Take up a facility offered by Capita which will rephase the payments at a cost

At present the Council's general reserves are £7.2m compared with the agreed optimum level of £7m. A decision to use reserves in 2006/07 and 2007/08 would probably result in a dip below the optimum level (although this is subject to the outturn for 2005/06 and 2006/07) and would also result in a reduction in interest income. Such a decision would reduce the Council's flexibility and ability to manage unforeseen events. However, use of reserves is a more cost effective solution than the Capita offer and the sums will be repaid in future years.

Therefore Cabinet is asked to agree the use of reserves to support the BTP in 2006/07 and 2007/08 – this will be incorporated in the revised medium term budget strategy.

Price Waterhouse Coopers Advice

Detailed advice on the contract has been provided throughout the tender process by PWC and is included in the confidential part 2 appendix J. The advice includes:

- A view on whether the contract represents a good deal
- A detailed model for the payments streams and savings
- Advice on issues and risks

In broad terms PWC have confirmed that the Council has negotiated a good deal with Capita.

Risks and Mitigation

There are some significant financial risks around the project which are outlined in PWC's advice. In particular

- Company failure
- Capita fail to deliver the savings - any delay in the guaranteed savings leads to a reduction in the capital budget requirement, however, it also leaves the Council with a revenue budget issue
- The Council decides not to proceed with some of the savings identified by Capita

Steps have been taken to mitigate these risks as far as possible

- There is a parent company guarantee and a performance bond in place
- The achievability of the savings has been reviewed in detail by the project team
- A benefits realisation system has been agreed which provides the mechanism for adjusting the budget in line with savings achieved
- The achievement of savings will be monitored closely during the year

Nevertheless it is still the case that if revenue savings are not achieved the capital payments to Capita will reduce leaving a shortfall in the revenue budget in the year in question.

2.5 Legal Implications

The Council has been advised throughout the process by Eversheds, who have considerable experience in the type of agreement before members. They have advised that the Council has the powers to enter the agreement, and that the process followed was robust and fair. A detailed analysis of the agreement is set out in the confidential part 2 appendix H, and a partner from Eversheds will attend Cabinet to offer such extra advice as members require.

In simple terms the agreement requires Capita to deliver the 3 Initial Projects, IT support and the guaranteed savings, and to work in partnership with Harrow to deliver such future projects as the parties agree. Capita has a range of sub-contractors to support it in delivering its obligations. The contractual safeguards are necessarily more precise for the Initial Projects than future ones, but the principles which would govern future projects are agreed and set out.

Capita's performance is dependent on Harrow complying with its obligations, but these are both reasonable and capped. There are adequate safeguards to ensure Capita complies its obligations, and to protect Harrow should they default.

Should members conclude that they wish to secure the benefits outlined above through a partnership agreement, with the attendant risks as articulated in this report, the contract as negotiated is a lawful and reasonable way of achieving this.

Enforcement

There are 4 levels of safeguards to ensure Capita deliver – firstly Harrow’s right to terminate the contract (and claim damages) in the event of material or persistent breaches of its terms, or failure to meet the trigger provisions in the Price Performance Mechanism

Secondly the contract requires the provision of management information to the Governance Structure, which is tasked with reviewing performance against the detail of the agreement, and effecting remedial action.

Thirdly the Service Level Agreement Structure underpinning the delivery of the Initial Projects have detailed and specific initial and improvement targets and penalties.

Finally Capita’s reputation and ability to secure more business and/or clients is dependent in part on how it delivers on its agreement with Harrow.

2.6 Equalities Impact

Enclosed at Appendix D

2.7 Conclusion

The advice from our advisors (PWC, Eversheds and Gartners) is that the terms of the partnership are favourable for the Council and would help us achieve our stated aims.

As stated in the implications if the recommendation is rejected section of the report, if the Council does not enter into this partnership, the stated needs that the partnership is designed to meet would still be outstanding and the Council would have to find an alternative way to meet these needs.

Section 3: Supporting Information/Background Documents

Appendix A – Summary of Capita bid

Appendix B – Summary of Governance Structure

Appendix C – The Business Transformation Partnership Approach on Diversity and Equality

Appendix D – Details of Sub-contractors

PART II APPENDICES (circulated to Members only)

Appendix E – Gartner Technical Evaluation of the partners bid

Appendix F – Evaluation criteria and evaluation scores matrix

Appendix G – Draft Partnership Risk Management Report

Appendix H – Eversheds Legal Evaluation

Appendix I – Spreadsheet

Appendix J – Price Waterhouse Coopers

Relevant Previous Decisions

Cabinet decision - 23rd June 2005 – 785 – delegated the decision on the appointment of the preferred supplier to the Portfolio Holder following consultation with the ICT Members Group

Cabinet decision - 19th May 2005 – 762 - delegated the decision on whether to appoint a preferred supplier or to request a BAFO to the Portfolio Holder following consultation with the ICT Members Group

Cabinet - 9th September 2004 -602 - delegated the shortlisting of potential partners to the Portfolio Holder following consultation with the ICT Members Group

Cabinet (Special) decision - 15th June 2004 – 522 – approved procurement process

Cabinet decision - 13th January 2004 – 412 – approved the procurement of an ICT and Major Projects Partner

Overview and Scrutiny decision - 19th October 2004 – 224 – endorsed the approach to the project