

ANGUS COUNCIL

RESOURCES AND CENTRAL SERVICES SUB-COMMITTEE

19 MAY 2005

**SUBJECT: TENDER EVALUATION FOR A DOCUMENT IMAGING AND WORKFLOW
COMPUTER SYSTEM**

**JOINT REPORT BY DIRECTOR OF FINANCE AND DIRECTOR OF INFORMATION
TECHNOLOGY**

Abstract: This report summarises the Tender evaluations in respect of the various companies who returned the required contract documents and recommends the procurement of the Comino PLC product as the most commercially advantageous to the Council.

1 RECOMMENDATIONS

It is recommended that the Committee:

- (i) note the detailed evaluation process undertaken
- (ii) approve acceptance of the most commercially advantageous tender to the Council namely Comino PLC and
- (iii) authorise the Director of Finance to advise the remaining tenderers that their bids were unsuccessful

2 INTRODUCTION

The Committee agreed Report No 1497/04 dated 2 December 2004, which recommended the procurement of a Document Imaging and Workflow Computer System.

The Report advised that indicative costs were estimated at £501,108 and of that some £312,700 would be met from a successful bid to the Department of Work and Pensions Performance Standards Fund. The funding from the Department of Work and Pensions is provided on the basis of the Council improving its benefits processing performance. It is imperative therefore that the product selected can deliver the required improvements in accordance with the DWP funding conditions otherwise the funding would have to be repaid.

3 PROCUREMENT PROCEDURE

Due to the anticipated value of this contract, a notice was placed in the Official Journal of the European Community.

The Council received a substantial number of enquiries and contract documents were issued to 66 companies.

4 TENDERS RECEIVED

Of the 66 contract documents issued 8 responses were lodged with the Director of Law and Administration on 11 April 2005. The companies who lodged tenders are listed below.

1. Radicom Limited
2. Idox PLC
3. Axcelia Limited
4. Scomag Limited
5. Dalmore Solutions
6. Anite
7. Comino PLC
8. SX3

5 TENDER REVIEW TEAM

The Tender Review Team consisted of Officers from:

Revenues
Internal Audit
IT
Law and Administration
Financial Services

6 TENDER REVIEW

The contract documents issued to potential tenderers advised that the contract would be awarded on the basis of the most commercially advantageous tender having regard not only to the price and value for money but also the following criteria:-

- 1) Tenderer's Organisational and Financial Profile and proven track record in the required systems and services to Local Authority Revenues and Benefits clients.
- 2) Quality of the proposed system.
- 3) Quality of the proposed services including management arrangements for the project and the tenderer's ability to provide appropriate implementation, consultancy and support services as well as post implementation support, maintenance and development resources.

The Council's Tender Review Team assessed the tenders in three stages as follows:-

Stage 1 – comprised of a review of a Company Profile Questionnaire, which involved consideration of the tenderer's organisational and financial profile as submitted.

Tenderers were asked to note that they must have at least 3 years experience in implementing Document Imaging and Workflow Management Systems and have successfully implemented such systems for at least 3 Local Authority Revenues and Benefits clients. Given the specific requirements of the Revenues Division and the criticality to the business of a successful implementation this was identified as a key requirement from the outset.

Stage 2 – a review of the documents that formed the tenderers response to the Requirements Specification section of the contract documents. The Requirements Specification was based on the requirements issued by the DWP.

Stage 3 – a review of the Pricing Schedule and other remaining contract documentation.

Tenders were asked to note that if the information reviewed at Stage 1 was not considered by the Council to meet the Council's requirements their tender would not be considered further and would not progress to Stage 2. Similarly at Stage 2 if the scope coverage and quality of the response to the Requirements Specification was not considered by the Council to meet the Council's minimum stated requirements the tender would not be considered further and would not progress to Stage 3.

The following tenders fell at Stage 1.

	Reason
1. Radicom Limited	Insufficient implementation track record in Revenues and Benefits environment
2. Idox PLC	Insufficient implementation track record in Revenues and Benefits environment
3. Axcelia Limited	Insufficient implementation track record in Revenues and Benefits environment
4. Scomag Limited	Insufficient implementation track record in Revenues and Benefits environment
5. Dalmore Solutions	Insufficient implementation track record in Revenues and Benefits environment

The following Companies proceeded to Stage 2 where detailed analysis was undertaken by the Review Team including product demonstrations and interviews.

1. Anite
2. Comino PLC
3. SX3

The tender from SX3 fell at Stage 2 on the grounds stated above with the tenders from Anite and Comino PLC progressing to Stage 3.

Stage 3 – Assessment of Most Economically Advantageous Tender

The two remaining tenders were evaluated on the basis of a 40% Quality and 60% Price split as approved by the Director of Finance.

The results are detailed below:

QUALITY – 40%		Anite	Comino PLC
Functional	20	19.17	19.86
Technical	10	9.41	9.88
Service	5	4.69	5.00
Demo/Interview	5	4.00	5.00
Total Quality		37.27	39.74
Quality Ranking		2	1
PRICE – 60%			
Whole Life – Over 5 years	60	57.06	60.00
Price Ranking		2	1
TOTAL	100	94.33	99.74
OVERALL RANKING		2	1

COST DESCRIPTION	Anite £	Comino PLC £
Initial	158,347	139,076
Ongoing Cost of Five Year Contract	89,541	97,227
Whole Life	247,888	236,303

7 FINANCIAL IMPLICATIONS

The initial costs of £139,076 noted above are contained within the £501,108 funding package as detailed in Report 1497/04.

Other costs eg communications network upgrade will be finalised as the project progress and further updates will be presented to Committee.

The ongoing costs of the five year contract will be met from the Revenues Divisions budget as follows.

1	18,395
2	18,895
3	19,419
4	19,969
5	<u>20,549</u>
	<u>97,227</u>

8 HUMAN RIGHTS IMPLICATIONS

There are no human rights implications arising as a direct result of approving the recommendations contained within this Report.

9 CONSULTATION

The Chief Executive and the Director of Law and Administration have been consulted in the preparation of this Report.

NOTE

No background papers, as defined by Section 50D of the Local Government (Scotland) Act 1973, (other than any containing confidential or exempt information) were relied on to any material extent in preparing the above Report.

DSS/DSW/FC
Updated 16 May 2005

David S Sawers
Director of Finance