

DATA LABEL: PUBLIC



COUNCIL EXECUTIVE

PROCUREMENT ARRANGEMENTS – DIRECT AWARD TO FRONTIER SOFTWARE PLC

REPORT BY HEAD OF CORPORATE SERVICES

A. PURPOSE OF REPORT

To seek approval to directly award a contract for the continued provision of software licensing and support and maintenance of the council's existing HR and Payroll system for a period of one year with the option to extend on a read only basis for up to four further one-year periods, to Frontier Software Plc. The total value of the contract over the full five-year contract period will not exceed £110,000.

B. RECOMMENDATION

It is recommended that Council Executive approves the direct award of a contract for the provision of support and maintenance services and software licensing to Frontier Software Plc.

C. SUMMARY OF IMPLICATIONS

I	Council Values	Focusing on our customers' needs; being honest, open and accountable; providing equality opportunities, making best use of our resources; working in partnership.
II	Policy and Legal (including Strategic Environmental Assessment, Equality Issues, Health or Risk Assessment)	Please refer to the background section of this report.
III	Implications for Scheme of Delegations to Officers	None
IV	Impact on performance and performance Indicators	None
V	Relevance to Single Outcome Agreement	None
VI	Resources – (Financial, Staffing and Property)	The contract shall run for a period of one year with the database being fully functional, with the option to extend on a read only basis for four further periods of one year. Payment for the initial year will £43,190. When the data base is on a read only basis payments will be £14,114 and increase by around 4% each year up to a total value not exceeding £107,00 which shall be met by Corporate

Services budget.

VII Consideration at PDSP

None

VIII Other consultations

Financial Management Unit and the
Corporate Procurement Manager.

D. TERMS OF REPORT

D.1 Background

The Chris system was purchased in August 1994. The contract was for a 25-year period to August 2019.

The Chris system is internally hosted to pay all council staff and third-party organisations, including West Lothian Leisure; Improvement Service and West Lothian College. This system enables the council to pay staff; make pension returns to the pension agencies; returns to third party providers (e.g. HMRC; Trade Unions); and produce statistical information on the organisations sickness absence and workforce related information.

The council signed a contract with MHR in January 2019, to purchase a new HR and Payroll System. A project team have been working on the implementation of the new system, and the system is due to go live shortly. In the intervening period the council need to continue paying people, therefore, the Frontier contract needs to be extended for a period of time to allow this to happen.

Upon implementation of the new system, Frontier will be served notice and the system will switch to a read-only basis until an alternative database is available to hold the information held on the system, as the council is legally required to hold this information to answer questions on tax and pension related matters.

D.2 Support and Maintenance

The support and maintenance contract will ensure business continuity and that vital maintenance services are provided during the transition period.

Chris is a propriety system and only Frontier can provide maintenance services.

D.3 Budget Implications

Frontier Software Plc has advised that the cost of a one-year renewal to the current support and maintenance contract will cost £43,190. For view only, contract (after renewal) will cost £14,114 per year plus a 4% cost increase for RPI. These costs shall be met from the Corporate Services budget.

E. CONCLUSION

It is recommended that the Council Executive approves the direct award of a contract to Frontier Software Plc for licensing, support and maintenance of Chris and HR21. The total value of the contract will not exceed £44,000 in the first year

F. BACKGROUND REFERENCES

None.

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