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**Report To:** Policy & Resources Committee

**Date:** 26 March 2013

**Report By:** Corporate Director Environment,  
Regeneration & Resources

**Report No:** ICT 02-13-01

**Contact Officer:** Robert Stoakes

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**Subject:** ICT Shared Service Update

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## **1.0 PURPOSE**

- 1.1 The purpose of this report is to inform the Committee of current developments with the proposed shared ICT service between Inverclyde, East Renfrewshire and Renfrewshire Council

## **2.0 SUMMARY**

- 2.1 Inverclyde, Renfrewshire and East Renfrewshire have agreed to pursue the opportunity for a shared ICT service. To make progress quickly, the focus will be on sharing rather than formally combining staff into one organisation
- 2.2 East Renfrewshire will lead a tendering exercise on behalf of the 3 Councils to appoint a suitably qualified Transformation Lead, to lead and coordinate the sharing of services for a period of up to 2 years.
- 2.3 Over a period of 2 years, a budget of up to £100k per Council will be required. It is anticipated that the contract will be awarded in June 2013.

## **3.0 RECOMMENDATION**

- 3.1 That the Committee notes the progress being made in this area.

Aubrey Fawcett  
Corporate Director Environment, Regeneration & Resources

## 4.0 BACKGROUND

- 4.1 Following consultation with the 3 Councils, agreement has been reached to pursue the opportunity for a shared ICT service. To make progress quickly, the focus will be on sharing rather than formally combining staff into one organisation
- 4.2 The initial work will be about identifying and implementing cost savings from joint procurement, contract management, joint project management and sharing of specialist skills. This work would be done in close association with the rest of local government and opportunities will not be restricted to just the participating Councils.
- 4.3 To ensure that this continues to move forward East Renfrewshire Council's Procurement Unit will lead a tendering exercise on behalf of the 3 Councils to appoint a suitably qualified Transformation Lead. As part of the awarded contract the Transformation Lead will be expected to lead and coordinate the sharing of services for a period of up to 2 years
- 4.4 It will be a contract requirement that the successful lead has access to additional specialist support in areas such as procurement. They must also focus on identifying and implementing early wins and have responsibility for identifying and implementing business opportunities to improve ICT services in the participating Councils.
- 4.5 Over a period of 2 years, a budget of up to £100k per Council will be required. This figure is based on a "spend to save" proposal in which savings are expected to outweigh the costs significantly. The expectation is that about 50% of the budget would be for consultancy and the rest for implementation and appointment of graduate interns etc. However, this funding split is intended as a guide only and will contain some flexibility which will be applied at the discretion of the Clyde Valley Councils. This figure does not include any costs that individual Councils may incur in implementing savings proposals, such as voluntary redundancy payments.
- 4.6 The following bodies were contacted to check their available frameworks:  
 Government Procurement Service: the frameworks below were reviewed for suitability and noted that the scope of each did not meet our requirements:  
 RM591: ICT Consultancy & Delivery Services  
 RM353: Multi-Disciplinary Consultancy  
 RM720: Sprint ii
- The Improvement Service: Portfolio checked with no suitable frameworks.  
 NHS – ICT & Consultancy: Portfolio checked with no suitable frameworks.  
 Scottish Procurement – Portfolio checked with no suitable frameworks.
- 4.7 As there is no suitable framework available to use, it has been agreed that a Restricted Process is to be adopted with a contract notice being issued on Public Contracts Scotland inviting interested bidders to complete a Pre-Qualification Questionnaire. This stage will be followed by a full Invitation to Tender.

## 5.0 IMPLICATIONS

### 5.1 Financial Implications

Cost Centre	Budget Heading	With Effect from	Net Impact	Virement From (if Applicable)	Other Comments
00967-999-61019	Shared Services EMR	2013/14	£100000		Maximum of £50K pa for 2 years