

**WEST DUNBARTONSHIRE COUNCIL****Report by Strategic Director – Transformation & Public Service Reform****Tendering Committee: 11<sup>th</sup> March 2020**

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**Subject: Contract Authorisation Report – Scottish Government CivTech Challenge: Asset Tracking and Focused Employee wellbeing tools**

**1. Purpose**

**1.1** The purpose of this report is to seek the approval of the Tendering Committee to authorise the Strategic Lead - Regulatory to conclude the award of the contract for Scottish Government CivTech Challenge: Asset Tracking and Focused Employee wellbeing tools.

**2. Recommendations**

**2.1** It is recommended that the Tendering Committee:

- a) Authorise the Strategic Lead Regulatory to conclude on behalf of West Dunbartonshire Council (the Council), the award of the contract for Development of Technology to track off-network Council assets to M2M Cloud Limited, with registered office at 1 Stanyards Courtyard Stanyards Farm, Chertsey Road, Chobham, Surrey, England, GU24 8JE spend as approved at Council on 4 March 2020 and subject to approval by Performance and Monitoring Group (PMRG);
- b) Note that the contract shall be for a maximum period of twelve months and at a value of £119,350 ex VAT. with the expected Council contribution being £69,446 ex VAT assuming the Scottish Government funding is approved. The estimated commencement date of the contract is 31st March 2020;
- c) Authorise the Strategic Lead Regulatory to conclude on behalf of West Dunbartonshire Council (the Council), the award of the contract for Development of Employee Focused Wellbeing tool to Trickle Data Insights Limited, with registered office at 101 Rose Street South Lane, Edinburgh, EH2 3JG and spend approved at Council on 4 March 2020;
- d) Note that the contract shall be for a maximum period of up to four years and at a value of £199,995 ex VAT with the expected Council contribution being £99,995 ex VAT assuming the Scottish Government funding is approved. The estimated commencement date of the contract is 31st March 2020;
- e) Note that, the Council will be seeking to recoup up to the maximum of the Scottish Government match funding which is up to 50% of the project

costs. The amount of potential to be recouped in match funding will only be known once the contract has been agreed and CivTech can submit the funding bid. Progress to award will be subject to further internal relevant Council approvals during March 2020; and

- f) Note that the spend on the contracts are speculative as they are funding the development of products that don't currently exist. This authorisation is coming in advance of Corporate Services Committee approval in order to try secure funding through the Scottish Government. The contract will not come into effect until after Corporate Service Committee approval.

### **3. Background**

- 3.1** The Scottish Government CivTech challenge is a scheme run whereby public sector bodies can advertise challenges that there is no current market solution to, and invite participants to propose how they would develop a solution. The cost to develop the solution by the successful participant has the potential to be match funded from the Scottish Government.
- 3.2** West Dunbartonshire Council identified 2 challenges to advertise: Asset Tracking technology and Employee focused wellbeing tool.
- 3.3** The asset tracking contract is for the development of a tool that is designed to track the physical assets (lawnmowers, laptops, refuse bins, etc.) when they are both inside and out with council premises. This initiative is intended to reduce time spent on manual asset audits, improve asset tracking /location processes and thereby reduce spend save the cost of replacement for lost assets. Following development, the contract allows the council to have a permanent licence to use the developed product.
- 3.4** The Employee focussed wellbeing tool is a tool that tries to pre-empt many of the seasonal issues that cause employees to be off their work unwell. For example, awareness of winter conditions to reduce musculo-skeletal injuries, reminder of flu jags, awareness of physiotherapy intervention before an injury worsens.
- 3.5** The challenges were identified to reduce the cost of replacement due to lost items and to reduce the cost of absenteeism by proactively offering health and wellbeing advice during times where an increase in absence is experienced.
- 3.6** The tender process for these challenges was undertaken by the Scottish Government on the Council's behalf. The contracts must be awarded within this financial year to benefit from the Scottish Government match funding.
- 3.7** The budget for Scottish Government CivTech Challenge: ICT Tracking and Focused Employee wellbeing tools was approved at Council on 4<sup>th</sup> March 2020. This procurement exercise has been conducted in accordance with the Council's Standing Orders and Financial Regulations and the. The exercise was undertaken as a Research and Development contract, and as such was

exempt from the Public Contracts (Scotland) 2015 regulations. A Contract Strategy document was also approved by the Business Partner – Strategic Procurement: Corporate Indirect on 3<sup>rd</sup> March 2020.

#### **4. Main Issues**

- 4.1** A contract notice was published by the Scottish Government on the Council's behalf on the Public Contracts Scotland advertising portal on 24<sup>th</sup> July 2019. This was part of a national procurement approach for all CivTech challenge projects, and WDC had no input to specifying the procurement approach implemented by Scottish Government. With 4 Participants submitting a response for the Employee Focused Wellbeing tool and 7 submitting a response for the Asset Tracking tool by the deadline for the submissions of 12 noon on 21<sup>st</sup> August 2019.
- 4.2** The process to select the preferred bidder followed a process similar to negotiated procedure. Following the initial submission, an evaluation of the proposed solutions were undertaken to determine which submission progresses to Clarification Interview stage. This resulted in the selection of a single Participant.
- 4.3** It is recommended that the asset tracking contract is awarded to M2M Cloud Limited, with registered office at 1 Stanyards Courtyard, Stanyards Farm, Chertsey Road, Chobham, Surrey, England, GU24 8JE; and the staff welfare contract is awarded to Trickle Data Insights Limited, with registered office at 101 Rose Street South Lane, Edinburgh, EH2 3JG who have provided the most best solution to address the challenge. The M2M Cloud Limited contract shall be for a maximum period of twelve months at a value of £119,350, ex VAT. The Trickle Data Insights Limited contract shall be for a maximum period of up to four years, at a value of £199,995.
- 4.6** The Scottish Government CivTech Challenge process includes potential funding from the Scottish Government to assist in the cost of implementation. The Council has applied for Scottish Government funding for the asset tracking project of £49,904; and £100,000 for the staff welfare project. The outcome of these applications won't be known until after the procurement process is completed. Should the funding not be approved by the Scottish Government the progress or termination options will be discussed ad PMRG.
- 4.7** The Scottish Government did not include Community Benefits as part of the selection process and therefore none are being offered by the Participants.

#### **5. People Implications**

- 5.1** The Employee Focused Wellbeing project is designed to proactively support Employee wellbeing and health.

#### **6. Financial and Procurement Implications**

- 6.1** The Councils Financial Regulations require a contract strategy to be approved for all contract above £50,000. Although not influencing the procurement route, a contract strategy was developed to assess the Scottish Government procurement process and to ensure that it was in alignment with the Council's Financial Regulations and Standing Orders.
- 6.2** Should the contract not be concluded within this financial year (2019/20), the option to bid for the match funding will have expired. The Scottish funding will be agreed when the WDC approval stages are complete but must be no later than 31 March 2020.
- 6.3** The Asset Tracking Contract award for M2M Cloud Limited is for a total value of £119,350. The Scottish Government Civtech team has notified the Council they have put forward a recommendation to their fund management that upon conclusion of the Pre-commercialisation agreement, they will fund the contract to the value of £49,904 and therefore the expected outturn cost to WDC is £69,446. The meeting of West Dunbartonshire Council on 4<sup>th</sup> March 2020 approved an overall Capital project funds for Asset Tracking of £120,000, and therefore anticipated that it will be underspent by £50,554.
- 6.4** The Contract award for Trickle Data Insights Limited is for a total value of £199,995. At present, the Scottish Government are still under consideration as to whether to recommend funding for this project. The meeting of West Dunbartonshire Council on the 4<sup>th</sup> March 2020 has approved an overall Capital project funds for Employee wellbeing of £100,000.
- 6.5** There is a risk that should the match funding bids be rejected, the Council may not progress with the projects in their current form. The Council may in the first instance seek to re-negotiate the value of the development with the Participant to maintain the original spend projection. Should that not be possible, the Service area sponsors will either, fund the additional spend from existing projects (for example one project securing match funding could release funding for the other project), request for additional funding through P&MRG to cover the shortfall, or seek to terminate the contract on the basis of not being able to pursue at no cost to the Council.

## **7. Risk Analysis**

- 7.1** The successful Providers have no known links to Serious and Organised Crime which would have significant political and reputational ramifications for the Council.

## **8. Equalities Impact Assessment (EIA)**

- 8.1** An equalities screening was undertaken for this reports to determine if there is an equalities impact. The results were that there is no equalities impact.

## **9. Consultation**

**9.1** The Service Leads ICT and People and Change have been consulted regarding the Contract Strategy. Finance Services and Legal Services have been consulted on the contents of this report.

## **10. Strategic Assessment**

**10.1** Implementation supports the delivery of Council's priorities with Innovative use of Information Technology & a Committed and dynamic workforce.

**10.2** High level quality asset management contributes to the Council's strategic priority of delivering fit for purpose estates and facilities.

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Strategic Director - Transformation & Public Service Reform  
5 March 2020

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**Appendices:** None

**Background Papers:** 1. Contract Strategy;  
2. EIA Screening.

**Wards Affected:** All