

3.2 TENDER FOR IT SERVICE MANAGEMENT SOFTWARE (2023047: BV)

Responsible Officer: Danny Wain

RECOMMENDATION*

That Council:

- 1. Awards the tender from Synergy Enterprise Solutions for IT Service Management (ITSM) Software, Contract No. 2023047, for a schedule of rates-based contract with an estimated contract value of \$230,522 for the initial term of three years and an estimated total contract value of \$991,872 inclusive of all available extension options;*
- 2. Authorises the Chief Executive Officer or her delegate to execute the contract agreement;*
- 3. Notes that the contract will commence on 03 April 2023, with an initial term of three (3) years and the contract has two (2) separate extension options of three (3) years each and authorises the Chief Executive Officer to approve extension options subject to satisfactory performance; and*
- 4. Notes that the estimated schedule of rates contract values stated above are also subject to an annual CPI indexation as per the contract.*

*(*Please note that all dollar figures are GST Inclusive unless stated otherwise).*

INTRODUCTION

Council has conducted a tender for IT Service Management (ITSM) Software.

As part of its planning process for this tender, Council Officers have undertaken a Public Tender process for the provision of ITSM Software. As Council's requirements for its panel are unique, a collaboration between councils is not suitable.

BACKGROUND

Council currently engages the services of Alemba to manage the internal Business Technology (BT) incident and request services under the ITIL (Information Technology Information Library) framework. Whilst having met the basic needs of the BT and Transformation and Innovation (T&I) departments for the past (3) three years, Council Officers have run a tender process to review the market for this service.

Council seeks a modern, scalable, and flexible ITSM platform to enable efficiencies gained through process automation, leveraging high-quality and interlinked datasets, knowledge management, asset management and integration into service management toolsets. The system will be used to manage helpdesk support calls, change management, BT asset management and reporting on all these functions.

NOTIFICATION

A public notice was placed in The Age newspaper on 24/11/2022, and the tender closed on 16/12/2022.

TENDERS RECEIVED

Twelve tender submissions were received by the appointed closing time. The tenders received are listed below:

1. *Cloud Burst Australia*
2. *Exsead Group Pty Ltd*
3. *Fujitsu Australia Limited*
4. *Fusion 5*
5. *JDS Australia Pty Ltd as trustee for JDS Solutions*
6. *Marval Australia Pty Ltd*
7. *Service Quality Pty Ltd*
8. *Service Now Australia Pty Ltd*
9. *Streamline Partners*
10. *Synergy Enterprise Solutions*
11. *Tactive Solutions*
12. *Top Desk*

Tender Conformance:

All submissions were assessed for their compliance with the tender conditions including the contractual terms and conditions and the requirements of the response schedules.

Two submissions were deemed non-conforming and these submissions were not evaluated further.

TENDER EVALUATION

All members of the evaluation panel signed Conflict of Interest and Confidentiality forms and no conflicts were raised.

The remaining conforming tenderers were assessed in accordance with the evaluation criteria published in the tender documentation:

Pass/Fail Assessment Criteria	Score
Quality and OH&S management system schedule	<i>Pass/Fail</i>
Insurance and Indemnity disclosure schedule	<i>Pass/Fail</i>

Table 2	Key Selection Criteria	Criteria Weightings
Qualitative Criteria	Capacity and Capability	35%
	Sustainability (Mandatory)	5%
Quantitative Criteria	Price (Mandatory)	60%

DISCUSSION

The final evaluation ranking (including the price and non-price evaluation criteria) had Synergy Enterprise Solutions ranked highest and as such, the evaluation panel recommends Synergy Enterprise Solutions as representing the best value outcome for Council.

FINANCIAL IMPLICATIONS

The estimated expenditure for the initial three-year contract term is \$230,522 (GST inclusive) and the estimated total contract value is \$991,872 (GST inclusive) inclusive of all available extension options.

Contract Item	Estimated Contract Cost (GST Inclusive)	Estimated User Licenses
Initial Term (3 years – Fixed Cost)	\$145,316	33
Implementation (Fixed Cost)	\$26,400	
Professional Services & Contingency (3-year initial period)	\$58,806	
Total Estimate for the Initial Period	\$230,522	48
<i>First Optional Three-Year Extension</i>	\$227,856	
Professional Services & Contingency (1 st Extension period of 3 years)	\$91,741	
<i>Second Optional Three-Year Extension</i>	\$327,504	64
Professional Services & Contingency (2 nd Extension period of 3 years)	\$114,249	
Total Estimated Contract Value	\$991,872	

Within this estimated contract values, is a schedule of rates component with a range of additional scalable services and product licences (Contingency) to allow for some growth of the users across the contract and to allow for planned expansion in the use of the ITSM.

The projected costs for Optional Three-Year Extensions includes the carry-on estimated 10% increase in licenses every year and also the CPI increase. Contingency caters for the additional licenses that might be required during the three-year period.

Over the lifetime of this 9-year contract, inclusive of all contract extensions, implementation, maintenance & support, product licencing, professional services, and contingency, the estimated maximum contract value is \$991,872. Project Implementation & Year 1 Licensing costs have been budgeted in Transformation and Innovation's capital budget for the financial year 2022/2023. Future operating budgets will be adjusted as required

CONCLUSION

That Council approves the recommendations contained within this report.