

HAMPSHIRE COUNTY COUNCIL**Decision Report**

Decision Maker:	Executive Member - Environment
Date:	26 January 2011
Title:	IT Highways Contract
Reference:	2286
Report From:	Director of Environment

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1. Executive Summary

- 1.1. The purpose of this paper is to obtain approval to proceed to full tender for a business critical Highways IT system.
- 1.2. In order to satisfy EU and corporate procurement rules there is no option other than a full re-tender for a Highways Management System. An Enterprise agreement with EXOR for continued use of its product suite was agreed and signed in November 2009 and runs until November 2012. At this point a full tender, procurement and implementation of a Highways Management system must have been completed.

2. Contextual information

- 2.1. The current highways IT system was first introduced in 1996 and has been progressively developed so it is now fully embedded and as such is business critical. Many of the functions managed by the system are required to fulfil statutory obligations and compliance with related legislation eg New Roads and Street Works Act (NRSWA), Traffic Management Act (TMA). Its primary functions include: public enquiry management, inspections, highway maintenance and management, works ordering, network referencing, the production of the National Street Gazetteer, Asset/Inventory database, bridge maintenance and street works.
- 2.2. The EXOR system meets the present business needs of the Environment Department, however there have been continuing problems in supporting, maintaining and updating the system. In addition questions have been raised regarding its ability to match County Council processes and its overall ease of use from a user perspective. With this in mind, it is essential that the future tender specification meets the current business requirements of Hampshire

Highways, whilst also taking on board existing concerns and any operational/cultural changes in the foreseeable future.

3. Finance

- 3.1. It is recognised that there will be costs associated with this tender, particularly transitional expenses including those involved with IT installation, training and dual running, should the incumbent supplier fail to retain the contract.
- 3.2. The current contract is supported from the highways maintenance budget and it is anticipated this source will be used to fund any future contract awarded.
- 3.3. Negotiations are currently underway with Dorset County Council regarding the possibility of joint procurement, if this progresses there may be further opportunities to reduce the procurement and ongoing system costs.

4. Performance

- 4.1. Investing in a full tender could realise significant benefits to the department in the long term, whether the existing supplier is successful or a different system is chosen.
- 4.2. A full business requirement exercise is underway that will allow the tender to focus on the departments future needs and link to Environmental Aim 1.
- 4.3. Should a different supplier be selected there would be significant disruption to operations while implementation and training was undertaken.

5. Future direction

- 5.1. To reduce officer and Member time in completing the contract approval process, it is proposed that the Director of Environment be delegated authority to award this contract following the selection process, this will involve advertising the new contract in the OJEU, pre-qualification to select suitable contractors and a tender assessment process. To ensure appropriate oversight it is further proposed that this delegation shall also require consultation with the Executive Member for Environment.

6. Recommendations

- 6.1. That approval be given to proceed with a full tender to procure a Highways system, taking the opportunity to reassess the service requirements both now and within the foreseeable future.
- 6.2. That the Director of Environment, in consultation with the Executive Member for Environment, be authorised to award this contract and subsequent extensions to this contract.

- 6.3. That the Director of Environment, in consultation with the Executive Member for Environment, be authorised to vary the scope of the contract as necessary in line with service improvement objectives.

CORPORATE OR LEGAL INFORMATION:**Links to the Corporate Strategy**

Hampshire safer and more secure for all:	YES
Corporate Improvement plan link number (if appropriate):	
Maximising well-being:	NO
Corporate Improvement plan link number (if appropriate):	
Enhancing our quality of place:	YES
Corporate Improvement plan link number (if appropriate): KBI 23 & KBI 24	

Section 100 D - Local Government Act 1972 - background documents

The following documents discuss facts or matters on which this report, or an important part of it, is based and have been relied upon to a material extent in the preparation of this report. (NB: the list excludes published works and any documents which disclose exempt or confidential information as defined in the Act.)

DocumentLocation

None

IMPACT ASSESSMENTS:

1. Equalities Impact Assessment:

1.1. No adverse impact has been identified on any member of society.

2. Impact on Crime and Disorder:

2.1. There is no direct impact on Crime and Disorder resulting from this issue.

3. Climate Change:

- a) How does what is being proposed impact on our carbon footprint / energy consumption?

- b) How does what is being proposed consider the need to adapt to climate change, and be resilient to its longer term impacts?

There are no direct impacts.