

**ITEM 20. TENDER - INFORMATION TECHNOLOGY QA AND TEST
MANAGEMENT SERVICES**

FILE NO: X006445.001

TENDER NO: 1662

SUMMARY

This report provides details of the tenders received for a preferred supplier of testing and quality assurance services, to supplement the resources needed to adequately test the City's software and systems.

Each year, the City undertakes a program of IT projects to deliver new and enhanced business systems so that delivery of local government services for residents and communities can be continually improved. Each system needs to be tested thoroughly before commissioning, with testing activities occurring episodically throughout the project. The preferred supplier will provide additional and specialist skills to improve the City's testing practices and provide resources as required to undertake specialised testing work.

Tender submissions called for appropriately experienced and qualified contractors with established methodologies, skilled resources for test management, execution and advisory services and with capacity to scale to the City's needs.

Thirteen submissions were received and evaluated.

This report recommends that Council accept the tender offer of Tenderer 'A' for Information Technology QA and Test Management Services.

RECOMMENDATION

It is resolved that:

- (A) Council accept the tender offer of Tenderer 'A' for Information Technology QA and Test Management Services for a period of three years, with the option of two extensions of one year, if appropriate;
- (B) authority be delegated to the Chief Executive Officer to negotiate, execute and administer the contracts relating to the tender; and
- (C) authority be delegated to the Chief Executive Officer to exercise the option referred to in clause (A), if appropriate, and negotiate the price to extend the contract accordingly.

ATTACHMENTS

Attachment A: Tender Evaluation Summary (Confidential)

(As Attachment A is confidential, it will be circulated separately from the agenda paper and to Councillors and relevant senior staff only.)

BACKGROUND

1. The City develops and maintains a range of business systems software integral to the delivery of services to residents, visitors, workers and communities.
2. Software needs to be tested thoroughly to ensure it is accurate and meets specific business and regulatory requirements.
3. Where new functionality is introduced, both the new components and the pre-existing facilities need to be tested to ensure they continue to operate correctly alongside and integrated with the new components.
4. As more and more services become digitalised and inter-related, the testing load increases.
5. The nature of testing work is specialised and the workload varies, depending on the nature and scheduling of IT project work.
6. It is efficient and effective to engage specialist skills to augment the capacity and skills available within staffing complement.

INVITATION TO TENDER

7. The tender was advertised in The Sydney Morning Herald, The Daily Telegraph and on Council's E-Tender website on Tuesday, 13 September 2016.
8. The tender was open to the public from Tuesday 13 September until 11.00am on Tuesday 4 October 2016.

TENDER SUBMISSIONS

9. Thirteen submissions were received from the following organisations (listed alphabetically):
 - Accuteque Global Pty Ltd
 - Advance Delivery Consultancy
 - Artis Group Pty Limited
 - Cigniti Technologies (Australia) Pty Ltd
 - Enex Testlab Pty Ltd
 - Fujitsu Australia Limited
 - Infosys Technologies Limited
 - K.J. Ross & Associates Pty Ltd
 - NTT DATA Australia Pty Ltd
 - Planit Test Management Solutions
 - Revolution IT

- SMS Consulting Group Ltd
 - Tescom Australasia Pty Ltd
10. No late submissions were received.

TENDER EVALUATION

11. All members of the Tender Evaluation Panel have signed Pecuniary Interest Declarations. One Tender Evaluation Panel member has declared a pecuniary interest, in that they worked with Tescom UK in 1997 until 1998. This was noted to be 19 years ago and that the panel member has had no connection to the company since then.
12. The relative ranking of tenders as determined from the total weighted score is provided in the confidential Tender Evaluation Summary – Attachment A.
13. All submissions were assessed in accordance with the approved evaluation criteria being:
- (a) quality and availability of resources;
 - (b) demonstrated experience in services of a similar nature, capability and qualifications;
 - (c) company profile and management practices;
 - (d) assumptions and conditions;
 - (e) Work Health and Safety;
 - (f) financial and commercial trading integrity including insurances; and
 - (g) schedule of prices.

PERFORMANCE MEASUREMENT

14. Performance measurement will reported monthly to the City, with reference to timeliness, quality and engagement performance indicators.

FINANCIAL IMPLICATIONS

15. There are sufficient funds allocated for this engagement within the current year's capital budget and future years' forward estimates.

RELEVANT LEGISLATION

16. The tender has been conducted in accordance with the Local Government Act 1993, the Local Government (General) Regulation 2005 and the City's Contracts Policy.
17. Attachment A contains confidential commercial information of the tenderers and details of Council's tender evaluation and contingencies which, if disclosed, would:
- (a) confer a commercial advantage on a person with whom Council is conducting (or proposes to conduct) business; and

- (b) prejudice the commercial position of the person who supplied it.
18. Discussion of the matter in an open meeting would, on balance, be contrary to the public interest because it would compromise Council's ability to negotiate fairly and commercially to achieve the best outcome for its ratepayers.

CRITICAL DATES / TIME FRAMES

19. The proposed implementation program is scheduled to be rolled out over three years following Council approval and contract execution, with two one-year options to extend.

OPTIONS

20. Accept the tender offer of Tenderer 'A', to provide testing services at an agreed rate card for a period of three years. The introduction of such services will lead to better testing practices, more reliable products and greater capacity to deliver project work to optimum schedules.
21. Should the City not proceed with the tender, the options available would be to reduce the number of digitalisation initiatives, establish new staff positions or engage Agency staff. However, these options would be detrimental to the planned program of work and would be less efficient in attaining the desired assurance outcomes, methodology and process capability.

PUBLIC CONSULTATION

22. There has been no public consultation regarding this tender.

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