

Contract Variation - Major Services Agreement (IT) for Public Access IT and Facilities and Services

File No: X006467.004

Summary

This report seeks a contract variation to extend the original contract for Public Access IT Services for an additional period of six months, with an increase to the total contract value as detailed in Confidential Attachment A.

Public Access IT provides access to computer and print facilities in libraries, and community and childcare centres. The contract extension is required to allow the continuation of the existing Public Access IT services to be supported by the incumbent supplier during the transition phase to a new contract. The transition to the new contract for these services has been delayed due to external factors around the installation of NBN at the Public Access IT sites, which is required to support the new service.

The City currently has two active contracts with Annabelle Bits Pty Ltd trading as ASI Solutions for the provision of Public Access IT Services:

Both contracts are required to support the transition period and hardware refresh for Public Access IT Services. As new devices and services are transitioned in they are transferred from the old contract to the new contract. Implementation is being conducted on a location-by-location (approximately 60 sites) basis in order to minimise disruption to the community and business operations.

This report seeks Council approval to extend the original contract for a further six-month period to allow extra time for the City to transition to the new service, following delays experienced with the installation of NBN at the Public Access IT sites.

Recommendation

It is resolved that:

- (A) Council approve a contract variation to extend the original contract for Public Access IT Services for a period of six months;
- (B) approve the additional funds sought as outlined in Confidential Attachment A to the subject report; and
- (C) authority be delegated to the Chief Executive Officer to finalise, execute and administer the variation to the contract to give effect to the resolutions above.

Attachments

Attachment A. Financial Implications (Confidential)

Background

1. The City provides IT resources, predominantly PCs, software and printing facilities, for use by the public at Libraries, City Spaces, and Child and Family Services.
2. The City currently has two active contracts with Annabelle Bits Pty Ltd trading as ASI Solutions for the provision of Public Access IT Services:

- (a) Following a reject and negotiate process approved by Council on 28 July 2015, the original contract was signed on 27 July 2016 with an expiry date of 28 June 2022. It was later varied following Council approval in March 2018 to incorporate additional equipment in the new Darling Square and Green Square Libraries, increasing the total contract value to the current amount.

On 8 April 2022, the Chief Executive Officer approved under delegation a 12-month extension on the original contract from 27 June 2022 to 28 June 2023. This extension had nil impact on the total contract value.

On 14 June 2023, the Chief Executive Officer (following endorsement by the Tender Review Group) approved under delegation a four per cent variation to the total contract value to incorporate costs for additional expenditure over the life of the contract due to an increasing number of devices and printing costs.

- (b) The new contract was signed on 11 January 2023 following Council approval, for a period of four years following initial implementation, plus an optional four-year extension term.
3. Both contracts are required to support the transition period and hardware refresh. As new devices and services are transitioned in they are transferred from the old contract to the new contract. Implementation is being conducted on a location-by-location (approximately 60 sites) basis in order to minimise disruption to the community and business operations. The pilot is due to commence at two sites in July 2023.
4. This report seeks Council approval to extend the original contract for a further six month period to allow extra time for the City to transition to the new service, following delays experienced with the installation of NBN at the Public Access IT sites.

Financial Implications

5. The value of this variation will increase the total contract value as outlined in Confidential Attachment A.
6. There are sufficient funds allocated for this project within the current year's operating budget, draft 2023/24 operating budget and future years' forward estimates.

Relevant Legislation

7. Local Government Act 1993 - Section 10A provides that a council may disclose to the public so much of its meeting as comprises the discussion of information that would, if disclosed, confer a commercial advantage on a person with whom the council is conducting (or proposes to conduct) business.

8. Attachment A contains confidential commercial information 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.
9. 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

10. This contract extension will need to be signed prior to the original contract's expiry on 28 June 2023.

Options

11. An alternative option is to cease the current Public Access IT service at the end of the original contract. This option is not recommended as it will disrupt the delivery of important digital access services to the community.

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