ITEM No …11………..

REPORT TO: **CITY GOVERNANCE COMMITTEE - 18 AUGUST 2025**

REPORT ON: **SOURCING STRATEGY AND PROPOSED TENDER AWARD FOR THE PROVISON OF A W360 WORKFLOW AND DOCUMENT MANAGEMENT SYSTEM**

REPORT BY: **EXECUTIVE DIRECTOR OF CORPORATE SERVICES**

REPORT NO: **212-2025**

1.0 PURPOSE OF REPORT

1.1 The purpose of this report is to present a summary of the sourcing strategy as outlined in Section 5 of this report and seek approval to award a contract for the provision of a W360 Workflow and Document Management System to Civica UK.

2.0 RECOMMENDATION

2.1.1 It is recommended that the Committee:

(a) approves the Sourcing Strategy as outlined in Section 5 of this report; and

(b) agree the direct award of the contract to Civica UK for the tendered price of £330,126.41 following the compliant procurement process outlined in this report.

3.0 FINANCIAL IMPLICATIONS

3.1 The award of contract will be for a 3-year period. The 3 year revenue cost is £330,126.41 (total). Breakdown of costs is as follows:

Year 1 costs £130,675.47, costs include technical refresh/upgrade, support, hosting and maintenance.

Year 2 and 3 are £99,725.47 annually.

The contract will be funded from the Corporate Services Revenue Budget.

4.0 BACKGROUND

4.1 Civica UK is a long-term provider of the Council's Revenues and Benefits Workflow and Document Management System. The procurement of W360 will allow electronic document management within the Benefit Delivery, Customer Services and Debt Management Teams of the Council.

5.0 SOURCING STRATEGY

5.1 The procurement will follow a Direct Award to the incumbent supplier, Civica UK, via Crown Commercial Services Vertical Application Solutions Framework RM6259. The procurement will be carried out in compliance with the Public Contracts (Scotland) Regulation 2015.

6.0 RISK ANALYSIS

6.1 There are four standard risks in any procurement and for public sector regulated procurements, a fifth is added, that of the procurement exercise itself breaching the public contract regulations and leaving the Council open to a legal challenge.

Description of Risk	Actions to be taken to manage Risk

Commercial Risk – That either the price objectives are not achieved up front or there are other costs that arise during the contract and diminish the overall benefits	Low risk – The procurement will follow a direct award via CCS VAS Framework RM6259 in respect of the required software which have been in place for over 25 years. This will be carried out in compliance with the Public Contracts (Scotland) Regulation 2015.
Technical Risk – This concerns the difficulty in being able to specify the desired outcome and on the market being unable to deliver to the specification	Low risk – the contract will be awarded to the incumbent supplier through a compliant procedure.
Performance Risk – This concerns the ability of suppliers to perform consistently over the life of the contract to deliver the planned benefits	Low risk – a contract management process will take place throughout the lifetime of the contract.
Contractual Risk – Being able to remedy the shortcomings in the contractor's performance without severely damaging the contract and about avoiding reliance on the contracted supplier as the contract develops	Low risk – DCC are contractually protected via the Framework contract terms and conditions. The contractor shall be proactively managed during the term of contract.
Legal Risk – where a procurement is found unsound in law, through the public procurement rules	Low risk – this is a compliant procurement procedure. The award will be following a negotiated procedure conducted without prior publication under Regulation 33 of the Public Contracts (Scotland) Regulations 2015 to direct award a new contract under Regulation 33(4)(b) - where change of supplier would result in incompatibility or disproportionate difficulties in operation.

7.0 POLICY IMPLICATIONS

7.1 This report has been subject to the Pre-IIA Screening Tool and does not make any recommendations for change to strategy, policy, procedures, services or funding and so has not been subject to an Integrated Impact Assessment. An appropriate senior manager has reviewed and agreed with this assessment.

8.0 CONSULTATIONS

8.1 The Council Leadership Team has been consulted in the preparation of this report.

9.0 BACKGROUND PAPERS

9.1 None.

PAUL THOMSON **DATE: 23 JULY 2025**
EXECUTIVE DIRECTOR OF CORPORATE SERVICES