

From: Simon Jones, Corporate Director, Growth, Environment and Transport.

To: David Brazier, Cabinet Member, Highways and Transport

Key Decision: 23/00052

Subject: Works Asset Management System Contract Award

Classification: Unrestricted

Summary: The Works Asset Management System (WAMs) has been in use since 2006 to support the Council's operational delivery of Highways and Transportation business. The product used is the Confirm Enterprise Asset Management Solution provided by Brightly plc. The current contract expires at the end of July 2023 and a new contract is being procured to take effect from the end of July 2023 for 3 years.

Recommendation: The Cabinet Member for Highways and Transport is asked to:

- a) award the Works Asset Management System (WAMs) contract to Brightly Software Limited from 31st July 2023, for a period of 3 years; and
- b) delegate authority to the Director for Highways and Transportation to take other relevant actions, including but not limited to finalising the terms of and entering into required contracts or other legal agreements, as necessary to implement the decision.

1. Background

- 1.1 In recent years, Kent has successfully implemented a range of measures to embed the use of Asset Management (AM) methodology into its approach to highways maintenance, resulting in securing and retaining a Band 3 rating for Incentive Fund purposes and thereby maximising Department for Transport funding. Much of this activity has centred around improving our knowledge of our assets, their lifecycle, their cost and future deterioration, so that informed decisions around how we prioritise investment in our highway assets can be made. We want to continue developing this work to improve the way highway maintenance and improvements are delivered to make Kent's highways safer, more sustainable, and more resilient, so that our highway network continues to contribute to the delivery of Kent's strategic outcomes as a key enabler of all KCC services.
- 1.2 Highways and Transportation (H&T) therefore needs to ensure that it has a suitable asset management computerized system in place that meets its needs around to name a few:
 - Customer enquiries
 - Fault reporting
 - Mobile working
 - Emergency Response 24/7/365

- Jobs creation, ordering and status updates.
 - Payments and Financial Management.
 - Asset Inventory Management – includes information and history.
- 1.3 The Works Asset Management System (WAMs) has been in use since 2006 to support the Council's operational delivery of H&T business. The product used is the Confirm Enterprise Asset Management Solution.
- 1.4 The current Contract was procured using a direct award process via the G-Cloud 11 Framework in June 2020, and is due to expire in on 31st July 2023. The original contract was awarded to Pitney Bowes Software Europe Ltd. Following changes in ownership and contract novation, the contract is currently held by Brightly Software Limited (previously Confirm Software Limited). There are no remaining compliant extension periods, and therefore, a new Contract is needed to ensure continuity of service.
- 1.5 Brightly Software Limited provides software hosting and maintenance of the system. A significant amount of customisation work has been carried out on the current system, to tailor this to meet KCC's requirements, and allow integration with various other systems such as the Oracle e-Business suite.

2. Financial implications

- 2.1 Whilst it is acknowledged that Highways and Transportation must have an adequate works asset management system to enable it to organise workloads, interact with the public and maintain its successful asset management approach, it is critical that the contract award period is no longer than absolutely necessary and that the procurement of a new contract is commenced in September to ensure there is sufficient time to undertake an open procurement process.
- 2.2 The contract will be let for three years as this has been determined as the minimum period required to complete the re-procurement of the system. A rate reduction totalling £540k has been secured, which whilst not an actual saving to the council, will ensure that costs will be contained within the existing budget, which is vital given the council's wider financial position.

3. Systems integration and dependencies

- 3.1 In recent years, KCC has implemented a range of measures to embed the use of Asset Management (AM) methodology in its approach to highways maintenance, which the WAMs system actively supports. This system integrates with several critical internal and external systems that help deliver the H&T business, including key contracts such as the street lighting contract with Bouygues and the Amey highways term maintenance contract.

4. Current working arrangements

- 4.1 Over the past 4 years enhancements have been made to the system as a result of the creation of a Confirm Programme Board, comprised of officers

from across Highways and Transportation and Brightly staff. This work has resulted in pilot projects being delivered to develop bespoke KCC solutions as part of this system, such as My Kent Highways, a customer fault reporting and information system and Predictor, a tool used by the Road and Footway Asset team to assist in determining areas that will be subject to deterioration over time.

5. Procurement process

5.1 There is a relatively limited market for this type of system. Highways and Transportation staff have engaged with Strategic Commissioning to conduct a procurement process. An extensive market scoping exercise has been carried out to understand potential alternative solutions and the options considered are outlined below:

1. **Do Nothing:** Allow the Current Contract to lapse. Kent County Council would no longer have ongoing support for this solution, posing a significant risk to its operational activities within the Highways service area. This needs to be linked to the Highway Act 1980 and out asset management approach etc. This supports this work. **Discounted.**
2. **Extension of current contract:** There are no remaining contract extensions, permissible in accordance with the Public Contracts Regulations 2015. **Discounted.**
3. **Conduct an open competitive tender process in accordance with the PCR15.** Market engagement has identified limited alternative solutions within the market that provides all functionality required by the Authority. To move to an alternative solution would incur significant migration, implementation, configuration, and training costs which outweigh any potential saving conducting a competitive process. **Discounted.** However a full business case is to be developed starting in September 2023 to ensure contract continues to offer best value for money.
4. **Direct Award of Contract to existing Supplier** (Brightly Software Ltd) using the G-Cloud 13 Framework which includes a competitively tendered rate card and agreed terms and conditions. This minimises the procurement costs identified within Option 3 and is compliant with the PCR15 while ensuring s continuity of service. **Preferred Option**

5.2 No alternative systems have been identified that include all functionality required by Kent County Council 'Out of the Box'. Competitors do not provide a comparable specification or functionality to that provided by the 'Confirm' service. It has been identified that significant customisation may be required of other "off the shelf" solutions to meet all functionality currently used within the Works Asset Management system.

5.3 The Council is able to use a Direct award process to enter into a new contract with Brightly (using the G-Cloud 13 Framework.) This would effectively

represent a like-for-like replacement of the current contract with no significant amendments compared to the current contract terms and conditions (using the previous G-Cloud 11 Framework). Brightly has also shared proposals with KCC to move to an Enterprise Subscription as a Service model. This option is not being taken; however, this option may be explored in the future within the contractual arrangement.

6. Legal implications

- 6.1 Under the Highways Act 1980, as the local Highway Authority, KCC has a legal duty to maintain its respective sections of the highway network under section 41. This includes responsibility for maintaining, managing and, where necessary, improving their section of the network. This system supports the Authority in delivering this statutory service.
- 6.2 The award of any contracts will be in full compliance with all relevant procurement and governance regulations. Legal advice in consultation with the Office of General Counsel has been commissioned to review the framework procedures and the terms and conditions that will govern future schemes.

7. Equality Impact and Data Protection Assessment

- 7.1 An equality impact assessment (EQIA) and Data Impact Protection Assessment has been carried out and no risks have been identified.

8. Conclusion

- 8.1 Highways and Transportation needs to ensure that it has a suitable works asset management system in place that can support the delivery of its services. The system must integrate with several critical internal and external systems that help deliver the H&T business. Following a rigorous procurement process the preferred option is for a direct award to the incumbent supplier, Brightly using the G-Cloud 13 framework which is compliant with the PCR15 while ensuring continuity of service.

9. Recommendations

- 9.1 The Cabinet Member for Highways and Transport is asked to:
 - a) award the Works Asset Management System (WAMs) contract to Brightly Software Limited from 31st July 2023, for a period of 3 years, and
 - b) delegate authority to the Director for Highways and Transportation to take other relevant actions, including but not limited to finalising the terms of and entering into required contracts or other legal agreements, as necessary to implement the decision.

10. Appendices

Appendix A: Record of Decision

Appendix B: Equality Impact assessment:

<https://democracy.kent.gov.uk/documents/s118153/EqIAWorksAssetManagementSystem.docx.pdf>

11. Contact details

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