



PITCHER PARTNERS

Pitcher Partners Consulting Pty Ltd

ACN 106 840 493

Level 13, 664 Collins Street
Docklands, Victoria 3008

Postal Address
GPO Box 5193
Melbourne, Victoria 3001

Level 1, 80 Monash Drive
Dandenong South, Victoria 3175

Tel +61 3 8610 5000
Fax +61 3 8610 5999
www.pitcher.com.au

Ref: DB:nh:lc

28 May 2019

Ms Kate Cornwall
Senior Contracts Advisor
City of Port Phillip
Private Bag 3
ST KILDA VIC 3182

By Email: kate.cornwall@port Phillip.vic.gov.au

Dear Ms Cornwall

CITY OF PORT PHILLIP INTEGRATED SOLUTION AND INTEGRATION PLATFORM AS A SERVICE PROBITY ADVISOR'S REPORT

We were engaged by City of Port Phillip (CoPP) to provide probity advisory services in relation to the procurement process for a suitably capable organisation to deliver an Integrated Solution and an Integrated Platform as a Service (iPaaS) Solution as part of CoPP's broader Customer Experience Program.

Background and Context

To support its Customer Experience Program objectives, CoPP released an open Request for Tender (RFT) on the 10 December 2018 for the proposed implementation of a new Integrated Solution and an integrated layer such as iPaaS.

The intent of the Integrated Solution and iPaaS is to create efficiencies in service delivery and improve customer engagement. The solution will include the following functions: Finance, Procurement, Asset Management, Property and Rating, Customer Relationship Management and Reporting and Workflow capability.

CoPP wishes to contract a single entity (Prime Contractor) with demonstrated experience and capability to deliver a quality solution implementation and that can work collaboratively with CoPP's Customer Experience Transformation Partner to deliver the proposed solution across the organisation.

Set out below is an overview of the process followed and of the probity tasks and activities we undertook in order to form our view of the procurement process from a probity perspective.

Overview of Process

The procurement process involved the following key steps:

- Decision to enter into a single-phase procurement process comprising an open RFT;
- Development of a Tender Evaluation and Probity Plan, which included an overview of the evaluation process, encompassing tender evaluation criteria and weightings;
- Finalisation of RFT documents which were made available to the market for download from the Tenderlink website on 10 December 2018;
- Conduct of an optional respondent briefing on 13 December 2018;
- Receipt of seven tenders in accordance with tender close requirements on 25 January 2019;
- Initial conformance checks and pre-qualification of tenders in accordance with the Tender Evaluation and Probity Plan and decision to set aside one non-conforming tender that failed to meet the filter criteria of a minimum integrated solution.
- Detailed evaluation of the remaining six tenders in accordance with agreed evaluation criteria, weightings and methodology;
- Shortlisting of three tenderers to be invited to process validation sessions;
- Conduct of process validation sessions allowing for three full days of detailed demonstration for each of the three shortlisted tenderers on the following dates:
 - 25, 27 and 28 February 2019;
 - 6, 7 and 8 March 2019; and
 - 14, 15 and 18 March 2019.
- Further evaluation of the shortlisted tenderers following process validation sessions, clarifications and reference checks;
- Shortlisting of two tenderers to be invited to the Best and Final Offer (BAFO) stage;
- Conduct of a BAFO with the shortlisted tenderers;
- Identification of preferred tenderer; and
- Issuing of Final Evaluation Report incorporating overview of the procurement process and recommendation to award the Integrated Solution and iPaaS contract to Technology One Limited.

Summary of Probity Advisor's Tasks

We set out below a summary of probity tasks undertaken in relation to the procurement process for the Integrated Solution and iPaaS contract. A number of these probity tasks continued to be performed throughout the process to confirm ongoing adherence to policies and procedures. The summary does not represent an exhaustive list of tasks and includes:

- Review of procurement process documentation and provision of advice in respect of probity matters, including:
 - RFT documentation – Integrated Solution and iPaaS – incorporating project brief, specifications, conditions of tender, evaluation process, evaluation criteria, tender response schedules and tender attachments;
 - Tender Evaluation and Probity Plan;
 - Correspondence and documents circulated during the tender period including market briefing pack and respondent clarifications;
 - Tender Submission Register evidencing receipt of seven tenders by the closing date and time from:

- Tenderer A;
- Tenderer B;
- Tenderer C;
- Tenderer D*;
- Tenderer E;
- Tenderer F; and
- Technology One Limited.

**Partial tender lodgement which included pricing information*

- Revised Tender Submission Register evidencing receipt of partially late submission from Tenderer D and decision by City of Port Phillip to accept the submission in accordance with close requirements of the RFT;
- Evaluation Matrix;
- Correspondence and documents circulated during the evaluation period including tenderer clarifications, process validation packs, additional requirements and BAFO review;
- Summary Evaluation Reports following the detailed evaluation and process validation stages;
- Final Evaluation Report, received 27 May 2019, incorporating recommendation to award Technology One Limited the contract for Integrated Solution and iPaaS.
- Review of documentation in respect of confidentiality and conflict of interest matters and provision of probity advice. The review included signed conflict of interest and confidentiality declarations in respect of this process noting:
 - There were several business-as-usual (BAU) relationships identified by members of the Evaluation Panel and the Tender Advisory Group;
 - Mr Peter Lieu (member of Technical Reference Group) declared a shareholding in Technology One Limited. Mr Lieu agreed to halt trading in these shares during the tender process and confirmed his ability to be impartial in the process; and
 - We obtained confirmation of confidentiality undertakings from all conflicts noted above and we did not observe any behaviour that suggested the BAU relationships or shareholding had an impact on the probity of the process.
- Attendance at meetings during the process and provision of probity advice, including:
 - Probity briefing to the Evaluation Panel (via teleconference) on 14 December 2018;
 - Evaluation Panel meeting for consensus scoring and shortlisting on 12 and 15 February 2019;
 - Process Validation Sessions (introduction portion only) for each shortlisted tenderer on 27 February, 6 and 14 March 2019;
 - Evaluation Panel meeting for consensus scoring following process validation sessions on 5 April 2019; and
 - Evaluation Panel meeting for consensus scoring following BAFO for identification of preferred tenderer (via teleconference) on 10 May 2019.
- Provision of ongoing advice in relation to probity matters during the course of the procurement process including, but not limited to:
 - Acceptance of partial late tender lodged after closing time; and
 - Filter criteria requirements in relation to data sovereignty compliance, insurance and minimum integrated solution requirements.

Probity Findings and Observations

Our role as Probity Advisor was to provide independent advice throughout the procurement process as to whether the processes are:

- Managed according to the documented process and the Tender Evaluation and Probity Plan; and
- Completed according to the requirements as published within the RFT documentation.

In our view, based on the tasks undertaken above:

- The procurement process was, in all material respects, developed, managed and completed in accordance with relevant documented procedures; and
- All probity matters that came to our attention during the course of the procurement process have been addressed in an appropriate manner.

Please contact Nathan Hudson or myself if you wish to discuss this matter further.

Yours sincerely

PITCHER PARTNERS CONSULTING PTY LTD



DANIEL BYRNE

Executive Director