

5.2 CONTRACT VARIATION PROJECT MANAGEMENT SYSTEM

Responsible Officer: Jarrod Doake, Chief Operating Officer

RECOMMENDATION*

That Council:

1. Increases the contract with CA Technology Pty Ltd (CAMMS) to an estimated contract value of \$358,050 (comprising of a tender fixed lump sum of \$232,650 and an estimated \$125,400 for professional services) for the initial three-year term with an estimated total contract value of \$480,920 inclusive of all available extension options (two one year contract extensions are available at the discretion of CEO).

2. Authorises the Chief Executive Officer to execute the contract agreement subject to any required negotiations.

*(*Please note that all dollar figures are GST Inclusive unless stated otherwise)*

INTRODUCTION

Council tendered for the procurement and implementation of a Project Management System and awarded the contract (No. 2019085) to CA Technology Pty Ltd (CAMMS) at its 30 April 2019 meeting.

A contract variation is sought due to the earlier and greater uptake of the system than expected following the successful implementation over the last four months.

BACKGROUND

A public notice was placed in The Age newspaper on 26/1/2019 and the tender closed on 20/2/2019. The Evaluation Panel recommended CA Technology Pty Ltd (CAMMS) as the best value outcome and Council approved this recommendation.

The development of Monash's project management has been underway since 2015 with the establishment of a corporate Project Management Office, the approval of a project management framework and finally the procurement of a project management system. The importance of continuing this work was confirmed in 2017 through the findings and recommendations of an Internal Audit.

DISCUSSION

Our Project Place, the internal name for Monash's Project Management System, went live on 24 September 2019. It became apparent during the system configuration and the user acceptance testing, that demand from staff to use the system immediately would outstrip the initial 100 licences purchased.

A contract variation was signed by the Chief Executive Officer on 24 September 2019 to increase the total contract sum from \$252,137 to \$277,352. This is the maximum contract variation of 10% as delegated, to the Chief Executive Officer by Council.

This enabled a further 50 licences to be purchased. However, as officers have initiated and collaborated on developing projects for consideration in the 2020/2021 Budget, all licences licenses have now been allocated.

There is a demand for an additional 100 licences over the next 5 years due to a greater take up of the system. Furthermore, in order to further develop and grow the system, engagement with the vendor is required through professional services. By means of purchasing additional licences and enhancement to the system, Monash can allow more officers to participate, collaborate, report and track their projects, which is constrained with the existing contract limitations.

Approval is now sought from Council to vary the total contract sum to \$480,920 over five years to ensure Our Project Place can be rolled out to all officers involved in Council projects, as required.

FINANCIAL IMPLICATIONS

Additional cost for the licences and professional services to be funded through the Business Technology Department's operational budget. An allowance of \$15,000 per annum has been provided for in the Project Management Office's operational budget to enable further development of Our Project Place.

CONCLUSION

Approval is now sought for Council to increase the total contract sum (over five years, inclusive of GST) to \$480,920. This variation will support the continued roll out of Our Project Place.