

Local Government National Category Management in ICT

Customer Charter

About the LGA National ICT Category Management Programme

The LGA National ICT Category Management Programme forms a core delivery element of one of the core precepts of the national procurement strategy for local government which is to:

“effectively manage Local Government’s overall commercial engagement with supply markets, especially in core categories in energy, construction and ICT”.

The programme emerges from the London ICT Project – which commenced in 2012 as a collaboration between the 33 Local Authorities in London and Government Procurement Service – which in its first-year demonstrated there is significant commercial advantage in co-ordination in Local Authority ICT markets.

The LGA Programme extends that partnership across Local Authority Professional Buying Organisations – such as NEPO, YPO, ESPO, CBC and AGMA –and regional CIO groups, including SOCITM branches. Its purposes are to identify potential benefits (savings or technological advances) that can be gained from collaboration and to facilitate the realization of those benefits.

On one hand, there are 429 local authorities in the UK, with broadly similar needs. On the other hand, there are a handful of large corporations – many of them multinationals – who supply the ICT goods and services the authorities need. Individually, customers often seem powerless, but collectively they comprise around 20% of the UK public sector ICT market, and for specialized areas like the £500m total spend on line-of-business application software Local Authorities are the market.

The LGA ICT Programme does not intend to make ICT procurement decisions on behalf its sponsoring authorities, but seeks consensus through engagement and rational debate for the benefit of all.

About The Customer Charter

The Customer Charter is a voluntary commitment by individual local authorities to adopt a set of practices designed to promote collaboration, share information and resources, and strengthen the collective competitive position of local authorities in their dealings with ICT suppliers.

Nothing in the Charter restricts or undermines the sovereign autonomy of local authorities to make their own choices – adopting the Charter is itself a free choice, and one which will lead to real benefits. We recognise that there will be times when each local authority has to “go it alone” but firmly believe that the default choice for ICT should always be to seek collaboration.

We therefore urge all Local Authorities to sign up to all the following principles of the Customer Charter and put its principles into practice.

Terry Brewer, Divisional Director Commercial, Contracts and Procurement, LB Harrow
Chair of the London ICT Programme Board and LGA Category Lead for ICT

The Charter

We the undersigned undertake, wherever it is possible to do so without detriment to our own authority:

1. To share with all other local authorities, via the LGA National Programme Office, advance details of all planned ICT procurements (including contract renewals) and projects where costs could be shared or wider participation could drive technological or commercial innovation.
2. Not to extend contracts for more than 12 months without seeking benchmarking information from the LGA National Programme Office first to ensure that the proposed deal will provide good value.
3. Always to consider using collaborative means to meet requirements, whether by directly accessing existing framework contracts or by forming working coalitions with other local authorities to run further competitions against national agreements, and to initiate new (i.e. independent and not from an existing national procurement vehicle) procurements only after exhausting collaborative options.
4. To invite other Authorities to collaborate on major ICT procurements we are undertaking, allowing within our planning sufficient time for other authorities to respond.
5. To ensure that our internal governance of ICT, procurement and resourcing are consistent with the principles of collaboration – including wide sharing of prices, specifications, and supplier performance data to support the Local Government transparency agenda and enable Local Authorities to learn and benefit from each others' activity.

Signed.....

Name.....Position.....

Local
Authority.....