



Conor McClean

By email: request-594435-569e9daf@whatdotheyknow.com

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13 September 2019

Dear Mr McClean

Information request

Reference number: FOI2019/00857

Thank you for your request of 02 August 2019. You requested the following information:

Please may you provide the information for the following systems?

Finance system:

- *Who is your current provider?*
- *When does the contract expire, and do you have extension options?*
- *What is the value of the contract?*
- *What modules do you use e.g. general ledger?*
- *What is your budget?*
- *When did the contract start?*

Procurement system:

- *Who is your current provider?*
- *When does the contract expire, and do you have extension options?*
- *What is the value of the contract?*
- *What is your budget?*
- *When did the contract start?*

Invoicing:

- *Do you have an electronic invoicing system in place?*
- *If so, who is the current service provider of this system?*
- *when does this contract expire and is there extension options?*
- *What is the value of the contract?*
- *What is your annual paper usage?*

I have processed your request under the terms of the Freedom of Information Act 2000 (FOIA).

I can confirm that we hold the information you requested. I will now refer to each of your questions in turn for ease of reference.

Please note where you have asked for the contract value or our budget, we have exempted this information under section 43(2)¹. I have explained this in more detail towards the end of this letter.

Finance system:

- *Who is your current provider?*

Our current provider is Oracle.

- *When does the contract expire, and do you have extension options?*

The contract started in May 2017 and is agreed for three years until April 2020, with an option to extend for a further 2 years to April 2022. This contract covers the hardware, hosting and support of E-Business. The current software license covers a four year period from June 2019 to June 2023.

- *What is the value of the contract?*

Exempt under section 43(2).

- *What modules do you use e.g. general ledger?*

Please see the various modules below listed under each of the three systems.

Finance: General Ledger, Accounts Payable, Accounts Receivable, iReceivables, Fixed Assets

Procurement: Purchasing, iProcurement, iSupplier, Advanced Supply Chain Planning, Inventory, Warehouse Management, Order Management, iStore, Services Procurement

Invoicing: is part Itesoft, part E-Business Accounts Payable

- *What is your budget?*

Exempt under section 43(2)

¹ Section 43(2) of the FOIA provides an exemption for information, the disclosure of which would or would be likely to prejudice the commercial interests of any person.

- *When did the contract start?*

The hardware, hosting and support of E-Business contract started in May 2017 and the software license started in June 2019.

Procurement system:

- *Who is your current provider?*

Jaggaer – sourcing tools and contract management software tools

- *When does the contract expire, and do you have extension options?*

The contract expires on 31st December 2019 with an option to extend for a further 12 months.

- *What is the value of the contract?*

Exempt under section 43(2).

- *What is your budget?*

Exempt under section 43(2).

- *When did the contract start?*

The contract started on 01 January 2016.

Invoicing:

- *Do you have an electronic invoicing system in place?*
- *If so, who is the current service provider of this system?*

I can confirm we have an electronic invoicing system and the current provider is ltesoft.

- *when does this contract expire and is there extension options?*

The contract expires on 19 June 2020 and there are no options to extend. We pay an annual support and maintenance fee for the software product.

- *What is the value of the contract?*

Exempt under section 43(2).

- *What is your annual paper usage?*

We have understood your question to mean annual paper usage regarding invoices. Which we can confirm is nil, due to our invoices being processed electronically.

If perhaps you were referring to Network Rail's paper usage as an organisation or perhaps something else, please let me know and I will log a new request for you.

You may also be interested to know that the Oracle suite of software products provide tools and functionality that manages across all three of the systems referenced:

- Finance
- Procurement
- Invoicing

For example, under the Invoicing element, the Purchase Requisitions and Purchase Orders are raised via Oracle and the invoice is matched via the Itesoft tool Share.

Section 43(2) Commercial interests

Our decision is that disclosure of the contract value and our budget would be likely to prejudice the commercial interests of Network Rail.

Section 43(2) is a qualified exemption. This means that we are required to consider whether the public interest in disclosure outweighs the public interest in maintaining the exemption.

Overall harm

Disclosure of the recorded information in scope of this request would be likely to negatively impact the interests of Network Rail and third parties in the planned, future tendering process.

Arguments in favour of disclosure

- There is a public interest in transparency and disclosure of information promotes openness and allows greater insight of public authorities such as Network Rail.
- Furthermore, it shows positive transparency in the use of public monies by Network Rail and the assistance the disclosure would provide the

public in obtaining a greater understanding of Network Rail's decision making processes.

Arguments against disclosure

- Release of this information could give an unfair advantage to any third parties who would be likely to submit bids in response to this future tendering process.
- Disclosure could give unfair knowledge to third parties tendering for contracts in the future, and this could undermine the negotiating position of both Network Rail and the fellow bidders.
- Network Rail has a wide range of commercial partnerships, to disclose sensitive information in relation to ongoing contracts would be likely to negatively affect future relationships with third parties and reduce our reputation for integrity and reliability as a business partner.

Having considered the public interest, our decision is to withhold the contract and budget information. This is because, while there is a real and valid interest in how we spend public funds, on this occasion this is outweighed by any commercial harm which could be caused to Network Rail and our suppliers. It is to the advantage of the public that we do not impact upon the ability of any company to operate by revealing commercially sensitive information. Ultimately a competitive market allows us to gain better value for money for the public purse.

I hope you have found my response useful. If you have any enquiries about this response, please contact me in the first instance at xxx@xxxxxxxxxxx.xx.xx or on 01908 782405. Details of your appeal rights are below.

Please remember to quote the reference number at the top of this letter in all future communications.

Yours sincerely

Rebecca Lindsay
Senior Information Officer

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Appeal Rights

If you are unhappy with the way your request has been handled and wish to make a complaint or request a review of our decision, please write to the Head of Freedom of Information at Network Rail, Freedom of Information, The Quadrant, Elder Gate, Milton Keynes, MK9 1EN, or by email at xxx@xxxxxxxxxxxx.xx.xx. Your request must be submitted within 40 working days of receipt of this letter.

If you are not content with the outcome of the internal review, you have the right to apply directly to the Information Commissioner for a decision. The Information Commissioner can be contacted at:

Information Commissioner's Office
Wycliffe House
Water Lane
Wilmslow
Cheshire SK9 5AF