



Officer Key Decision

Report to the Strategic Director of Resources

AWARD OF A CONTRACT FOR ICT OFFICE HARDWARE

Wards Affected:	All
Key or Non-Key Decision:	Key Decision
Open or Part/Fully Exempt:	Part Exempt – Appendix 1 is exempt as it contains the following category of exempt information as specified in Paragraph 3, Schedule 12A of the Local Government Act 1972, namely: "Information relating to the financial or business affairs of any particular person (including the authority holding that information)"
No. of Appendices:	Two: <ul style="list-style-type: none"> Names of the tenderers (exempt) Evaluation Scoring ICT Hardware Devices
Background Papers:	N/A
Contact Officer(s): (Name, Title, Contact Details)	Philippa Brewin Service Account and Procurement Manager Email: philippa.brewin@brent.gov.uk Tel: 020 8937 1733

1.0 Purpose of the Report

- 1.1 This report requests authority to award a contract for the supply of ICT Office Hardware for the ICT Shared Service authorities. This report summarises the process undertaken in procuring the contract and recommends to whom the contract should be awarded.

2.0 Recommendations

- 2.1 That the Strategic Director of Resources awards the contract for ICT Hardware Devices to XMA Limited for a period of 2 years, plus a possible 1 year extension.

3.0 Detail

Background

- 3.1 In December 2017 CMT agreed proposals by Digital Services for new IT Device Provision. In order to implement this, the Council needs to purchase laptops and small desktop PCs.
- 3.2 In March 2018 Strategic Director of Resources approval was given to invite tenders from a framework for a contract for the provision of this hardware.
- 3.3 The tender included the requirements for the Brent roll out as per the CMT report, as well as the anticipated volumes required for Southwark and Lewisham over the next two years. A volume of monitors was also included in order to achieve competitive pricing for ongoing requirements for these.

Requirements

- 3.4 The requirements that were included in the procurement of this contract were:
- Ultra Small Form Factor PCs
 - Standard Laptops
 - Large Screen Laptops
 - Lightweight Laptops
 - Hybrid 11" - 12.9" - Touchscreen tablet with detachable keyboard
 - Hybrid 13" - 14" - Touchscreen tablet with detachable keyboard
 - Asset tagging of the above
 - 27" TFT Monitors

Outline of Tender Process

- 3.5 Tenders for the contract were invited from the Crown Commercial Service (CCS) Framework RM3733 Technology Products 2 (the "Framework Agreement"). Lot 1 (Hardware).
- 3.6 The opportunity was published using the CCS eTendering portal on 3 April 2018. The closing date for tenders was 23rd April 2018 and 2 suppliers

submitted tenders. The tenders were in the form of “opening bids” that were then used in an eAuction process.

3.7 In accordance with the requirements of the Framework Agreement, the Invitation to Tender stated that the selection of Suppliers to be awarded the contract would be made on the basis of the most economically advantageous bid and that in evaluating tenders, the Council would have regard to the following:

- Quality (20%)
- Price (80%)

Evaluation Process

3.8 The tender evaluation was carried out by a panel of officers from the ICT Shared Service.

3.9 All “opening bid” tenders had to be submitted electronically no later than 2pm on 23 April 2018. 2 tenders were submitted.

3.10 The evaluation panel met to carry out the physical evaluation of sample devices provided by the tenders. Some elements of the technical specification for each device were also quality scored, and the physical and technical quality scores were added together to give a total quality score.

3.11 Following the interviews, the panel met and agreed the scores for each element of the evaluation.

3.12 The tenderers whose proposals met the mandatory elements of the specification were invited to participate in an eAuction, which had been explained would be part of the process. This eAuction was conducted using the London Tenders Portal (the “Due North” system) on 1 May 2018. The system ranked the tenderers by calculating their final scores, taking into account the quality element.

3.13 The names of the tenderers are contained in Appendix 1. The scores received by the tenderers are included in Appendix 2. It will be noted that Tender B was the highest scoring tenderer, and it is therefore recommended that the contract is awarded to Tenderer B, namely XMA Limited.

3.14 It is anticipated that the contract will commence in May/June 2018. As the proposed contract represents a call-off under a framework agreement, a mandatory standstill period is not required.

4.0 Financial Implications

4.1 The value of the award is based on the tender pricing, revised to take into account downgrade options and a review of quantities of higher specification items. The downgrade options were included as part of the tender process. The total value of the contract over its lifetime is estimated to be £4.23m. Out of this sum £0.49m is to be recouped from Lewisham and £1.97m from

Southwark. £1.76m relates to expenditure incurred on behalf of Brent Council. The indicative spend profile is set out in table 1 below.

TABLE 1	2018-19 £M	2019-20 £M	2020-21 £M	TOTAL £M
Brent	1.60	0.16	0	1.76
Lewisham	0.25	0.24	0	0.49
Southwark	1.18	0.79	0	1.97
Capital expenditure	3.03	1.19	0	4.22
<i>Recharge to Lewisham / Southwark</i>				
Lewisham	(0.25)	(0.24)	0	(0.49)
Southwark	(1.18)	(0.79)	0	(1.97)
Income	(1.43)	(1.03)	0	(2.46)
Net Cost	1.60	0.16	0.00	1.76

- 4.3 Provision has been made in the current capital programme for the Brent element of the contract.

5.0 Legal Implications

- 5.1 The estimated value of the proposed call off contract for ICT office hardware is higher than the EU threshold for Supplies and the award of the contract is therefore governed by the Public Procurement Regulations 2015 (the “PCR 2015”).
- 5.2 Officers have used a framework to procure the ICT office hardware. The PCR 2015 allow the use of framework agreements and prescribe rules and controls for their procurement. Contracts may then be called off under such framework agreements without the need for them to be separately advertised and procured through a full EU process. Call offs under the framework need to be carried out in accordance with the framework rules, to include using evaluation criteria specified in the framework and utilising the terms and conditions set out in the framework. Officers have confirmed that the ICT office hardware have been procured in a compliant manner.
- 5.3 The Council’s Contract Standing Orders state that no formal tendering procedures apply where contracts are called off under a framework agreement established by another contracting authority, where call off under the framework agreement is approved by the relevant Chief Officer and provided that the Director of Legal and HR has advised that participation in the framework is legally permissible. The Director of Legal and HR confirmed that participation in the relevant CCS framework is legally permissible.
- 5.4 The procurement is subject to the Council’s own Standing Orders in respect of Medium Value Contracts and Financial Regulations given that the Council’s

element of the procurement is valued at less than £2 million. The Strategic Director of Resources therefore has delegated authority to award the contract.

- 5.5 As the procurement of ICT office hardware is from a framework, there is no requirement for the Council to observe a 10 day standstill period under the PCR 2015 although the award of the contract will be subject to the council's usual call-in process.

6.0 Equality Implications

- 6.1 The proposals in this report have been subject to screening and officers believe that there are no equality implications.

7.0 Consultation with Ward Members and Stakeholders

- 7.1 There has been no consultation with Ward Members. Brent senior managers have been consulted through CMT on the content of the contract, and ICT staff had the opportunity to evaluate the offered devices physically.

8.0 Human Resources/Property Implications

- 8.1 None.

9.0 Public Services (Social Value) Act 2012

- 9.1 The Council is under duty pursuant to the Public Services (Social Value) Act 2012 ("the Social Value Act") to consider how services being procured might improve the economic, social and environmental well-being of its area; how, in conducting the procurement process, the Council might act with a view to securing that improvement; and whether the Council should undertake consultation. This duty does not strictly apply to the proposed contract as it is not a services contract. Nevertheless, Officers have had regard to considerations contained in the Social Value Act in relation to the procurement.

- 9.2 Social value evaluation criteria were not included a part of the process as the prescribed framework criteria were used.

Report sign off:

PROD SARIGIANIS
Head of Digital Services