

	<b>Cabinet</b> 11 March 2024
	<b>Report from the Corporate Director,  Finance and Resources</b>
	<b>Lead Member – Deputy Leader and  Cabinet Member for Finance,  Resources &amp; Reform  (Councillor Shama Tatler)</b>
<b>Authority to Award Contract for the Provision of Microsoft  Licenses for Shared Technology Service (STS) Partner  Borough Southwark</b>	

<b>Wards Affected:</b>	All
<b>Key or Non-Key Decision:</b>	Key
<b>Open or Part/Fully Exempt:</b> <small>(If exempt, please highlight relevant paragraph of Part 1, Schedule 12A of 1972 Local Government Act)</small>	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)"
<b>List of Appendices:</b>	Two Appendix 1 List of Tenderers Appendix 2 Evaluation Scores
<b>Background Papers:</b>	None
<b>Contact Officer(s):</b> <small>(Name, Title, Contact Details)</small>	Amin Jan Assistant Category Manager, Shared Technology Services 07951 148778 <a href="mailto:amin.jan@brent.gov.uk">amin.jan@brent.gov.uk</a>

## 1.0 Executive Summary

- 1.1. This report concerns the procurement of Microsoft Licences for the London Borough of Southwark. This report requests authority to award a contract as required by Contract Standing Order 88. This report summarises the process undertaken in procuring this contract and, following the completion of the evaluation of tenders, recommends to whom the contract should be awarded in accordance with paragraph 13 of Part 3 of the Constitution.

## **2.0 Recommendation(s)**

That Cabinet:

- 2.1 Approves the award of a contract for the provision of Microsoft Licences for the London Borough of Southwark to Bytes Software Services Limited for a term of three years in the estimated sum of £6,306,449.63.

## **3.0 Detail**

### **Cabinet Member Foreward**

- 3.1 Under the Shared Technology Services' Inter Authority Agreement, Brent is the contracting authority for contracts procured for the delivery of services to the Shared Technology Services' partners, namely the London Boroughs of Brent, Lewisham and Southwark.
- 3.2 The current contract for the provision of Microsoft Licences for the London Borough of Southwark (Southwark) expires at the end of March 2024, and it is therefore necessary to procure a new contract. The award of the contract for the provision of Microsoft Licences is for the sole use of Southwark but will nonetheless help to ensure the effective operation of the Shared Technology Services which in turn assists with the Borough plan priority of Prosperity and Stability in Brent.

### **Background**

- 3.3 At present, Southwark requires approximately 4300 Microsoft Licences and additional Microsoft products for its staff members. These licences and additional Microsoft products have been procured under a contract with Trustmarque Limited for last three years. Microsoft Agreements are not made directly with Microsoft but contracted through resellers.
- 3.4 The contract for Microsoft Licences for Southwark expires 31<sup>st</sup> of March 2024 and to ensure that Southwark can continue to operate its existing systems, it is therefore mandatory to put a new contract in place prior to expiry of the existing contract.

### **The Tenders Process**

- 3.5 The Contract will be called off from the Y20011 KCS Professional Services Software Products and Associated Services 2 framework (the "Framework"), using the form of award and standard call off terms and conditions prescribed under the Framework. The Framework was established by Kent County Council
- 3.6 A further competition exercise was carried out using the Framework in accordance with its rules.
- 3.7 In accordance with the requirements of the Framework, 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 tender, and that in evaluating tenders, the Council would have regard to the following:

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

### **Evaluation Process**

3.8 The tender evaluation was carried out by a panel of officers from Shared Technology Services

3.9 All tenders had to be submitted electronically no later than 11 am on 26 January 2023. Four tenders were submitted. Each member of the evaluation panel read the tenders and met on 2 February 2024 and each submission was marked by the panel against the award criteria.

3.10 The names of the contractors are contained in Appendix 1. The scores received by the contractors are included in Appendix 2. It will be noted that Contractor B was the highest scoring contractor, and it is therefore recommended that the contract is awarded to Contractor B namely Bytes Software Services Limited.

3.11 The contract will commence on 25 March 2024. As the proposed contract represents a call-off under a framework agreement, a mandatory standstill period is not required.

### **4.0 Stakeholder and ward member consultation and engagement**

4.1 The relevant Shared Service Borough stakeholders have been consulted in relation to this procurement.

### **5.0 Financial Considerations**

5.1 The estimated value of the contract is £ 6,306,449.63.

Estimated Value - Year 1	Estimated Value – Year 2	Estimated Value – Year 3
£2,102,149.88	£2,102,149.88	£2,102,149.88

5.2 The cost of the contract will be met entirely from the Southwark IT budget.

### **6.0 Legal Considerations**

6.1 Under the Shared Technology Services' Inter Authority Agreement, Brent is the contracting authority for contracts procured for the delivery of services to the Shared Technology Services' partners. Southwark has fully delegated the procurement of ICT contracts within the scope of the Shared Technology Services to Brent. Pursuant to Schedule 9 of the Shared Technology Services'

Inter Authority Agreement, where Brent is procuring on behalf of the other Council(s), Brent shall follow its own Constitution and the Public Contracts Regulations 2015.

- 6.2 The value of this contract over its lifetime is in excess of the threshold for Services and the award of the contract is therefore governed by the Public Contracts Regulations 2015 (the “PCR 2015”). The award is subject to the Council’s own Standing Orders in respect of High Value Contracts and Financial Regulations
- 6.3 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 procurement 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.
- 6.4 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 Corporate Director, Governance has advised that participation in the framework is legally permissible. The Corporate Director, Governance confirms that participation in the Framework in respect of the proposed procurement is legally permissible.
- 6.5 As the proposed Contract is classed as a High Value Contract pursuant to the Council’s Contract Standing Order 86 (e)(f), Cabinet approval is required for the award of any High Value Contract as required by paragraph 9.5 of Part 3 of the Council’s Constitution.

## **7.0 Equality, Diversity & Inclusion (EDI) Considerations**

- 7.1 The Council must, in the exercise of its functions, have due regard to the need to:
- (a) eliminate discrimination, harassment and victimisation
  - (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it; and
  - (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it,

pursuant to s149 Equality Act 2010. This is known as the Public Sector Equality Duty.

- 7.2 The public sector equality duty, as set out in section 149 of the Equality Act 2010, requires the Council, when exercising its functions, to have “due regard” to the need to eliminate discrimination, harassment and victimisation and other conduct prohibited under the Act, to advance equality of opportunity and foster

good relations between those who have a “protected characteristic” and those who do not share that protected characteristic. The protected characteristics are: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex, and sexual orientation.

7.3 Having due regard involves the need to enquire into whether and how a proposed decision disproportionately affects people with a protected characteristic and the need to consider taking steps to meet the needs of persons who share a protected characteristic that are different from the needs of persons who do not share it. This includes removing or minimising disadvantages suffered by persons who share a protected characteristic that are connected to that characteristic.

7.4 The proposals in this report have been subject to screening and officers believe that there are no adverse equality implications

## **8.0 Climate Change and Environmental Considerations**

8.1 Given the nature of the contract and the fact it is for the benefit of Southwark, it is not considered that the recommendation to award has any direct impact on Brent’s environmental objectives and climate change strategy.

## **9.0 Human Resources/Property Considerations (if appropriate)**

9.1 Given the nature of the contract and the fact it is for the benefit of Southwark, it is not considered that the recommendation to award has any direct human resources or property considerations.

## **10.0 Communication Considerations**

10.1 Given the nature of the contract and the fact it is for the benefit of Southwark, it is not considered that the recommendation to award has any communication considerations for Brent.

**Report sign off:**

***Minesh Patel***

Corporate Director, Finance and Resources