

	Officer Key Decision
	Report to the Corporate Director, Finance and Resources
	Date of Decision: 2 October 2024
Authority to Award Contract from CCS G-cloud 13 RM1557.13 Lot 3 Framework for Security Operations Centre Services.	

Wards Affected:	All
Key or Non-Key Decision:	Key Decision
Open or Part/Fully Exempt: <small>(If exempt, please highlight relevant paragraph of Part 1, Schedule 12A of 1972 Local Government Act)</small>	Open
No. of Appendices:	None
Background Papers¹:	None
Contact Officer(s): <small>(Name, Title, Contact Details)</small>	Name: Mike Ligorio Job Title: Commercial Contracts & Procurement Manager Email: mike.ligorio@brent.gov.uk

1.0 Executive Summary

- 1.1 This report concerns the procurement of Security Operations Centre Services (SOC). With the increase in cyber attacks and the shift to mobile technologies and cloud services, STS identified the need for a Managed Security Operations Service. This service would protect council resources from cyber threats and maintain the integrity of corporate services. STS included this requirement in their Technical Road Map, which was formally agreed upon by all partners. In 2024, STS engaged with various providers to understand market offerings in the SOC area. They presented a business case to the partners at the Organisation Management Group meetings, emphasizing the importance of maximizing returns on Microsoft Technologies and partnering with an NCSC Level 1 approved supplier.
- 1.2 This report requests authority to award contracts as required by Contract Standing Order 88. This report summarises the process undertaken in

procuring a contract and recommends to whom the contract should be awarded.

2.0 Recommendation(s)

That the Corporate Director, Finance and Resources:

- 2.1 Approves the pre-tender considerations set out in paragraph 3.8.
- 2.2 Approves the award of the contract for Security Operations Centre Services to NCC Group Security Services Limited for an initial term of two years with an optional extension of one year in the total sum of £801,371.

3.0 Detail

Contribution to Borough Plan Priorities & Strategic Context

- 3.1 The report concerns the award of a contract for Security Operations Centre Services. Brent's Digital strategy as detailed below, includes the requirement to use a common set of tools for the cyber protections. In leveraging current technologies and placing the right controls in place, we are protecting and reacting to cyber threats against the authority and assisting the authority to meet the five priority areas set out in the Borough Plan 2023 – 27.

<https://legacy.brent.gov.uk/media/16420030/digital-strategy-2022-2026-2.pdf>

Background

- 3.2 The council requires the provision of Security Operations Centre Services. Officers have considered whether the Security Operations Centre Services can be provided by the council itself but have concluded that services are best provided by a contractor. Officers have reviewed a range of procurement options and have determined that the use of a framework is the most appropriate and cost-effective means of procuring a contractor.
- 3.3 Officers have undertaken a procurement exercise by calling off from the CCS G-cloud 13 RM1557.13 Lot 3 Cloud Support Framework (the "Framework"). Officers have identified a contractor providing the most advantageous offer in accordance with relevant criteria set out in the Framework and therefore recommend award of a contract for Security Operations Centre Services (the "Contract").

The Procurement Process

- 3.4 The Contract will be called off from the Framework, using the form of award and standard call off terms and conditions prescribed under the Framework.
- 3.5 The Framework permits award by way of a further competition and by way of direct award and sets out rules for the identification of the most economically advantageous contractor under both procedures. Officers consider that identification of the most economically advantageous contractor using the Framework's direct award procedure is most appropriate for the procurement of the Contract, .
- 3.6 In compliance with the Framework guidance, Officers have reviewed the framework information for all contractors on Lot 3 Cloud Support of the Framework as set out at Appendix 1. Officers have identified NCC Group Security Services Limited ("NCC") as the most economically advantageous contractor based on criteria set out in the framework. It should be noted that NCC are at the forefront Cyber Security in the UK, have worked STS on a range of cyber initiatives and activities. They are a Level 1 NCSC security partner. The Contract is for 36 months including 12 months possible extension in the sum of £801,371. excluding VAT.
- 3.7 The contract will commence on 01.11.24 subject to call-in.

Pre-tender Considerations

- 3.8 The pre-tender considerations relevant to the Contract are as follows:

Ref.	Requirement	Response	
(i)	The nature of the services / supplies / works.	As detailed above	
(ii)	The value.	£801,371 excluding VAT	
(iii)	The contract term.	36 months (2 Years, + 1 Year) 01.11.2024 – 31.10.2026 This Call-Off Contract can be extended by the Buyer for 1 period of up to 12 months, by giving the Supplier no less than 2 months written notice before its expiry.	
(iv)	The tender procedure to be adopted.	Direct Award from a Framework	
(v)	The procurement timetable.	Stage in Procurement	Indicative dates

Ref.	Requirement	Response	
		Shortlisting via G-Cloud	24.09.24
		Statement of Works and Pricing received from preferred Supplier	24.09.24
		Contract Mobilisation	October 2024
		Contract start date	01.11.24
(vi)	The evaluation criteria and process.	N/A – Direct Award. Followed the relevant compliant shortlisting guidance within G-Cloud	
(vii)	Any business risks associated with entering the contract.	No specific business risks are considered to be associated with entering into the Contract.	
(viii)	The Council's Best Value duties.	For the reasons set out in Section 3, it is considered that Direct Award will result in the Council achieving best value.	
(ix)	Consideration of Public Services (Social Value) Act 2012	Officers have had regard to the Public Services (Social Value) Act 2012.	
(x)	Any staffing implications, including TUPE and pensions.	There are no implications for Council staff arising from the procurement.	
(xi)	The relevant financial, legal and other considerations.	Financial – See Financial Considerations at Section 5.	
		Legal – See Legal Consideration at Section 6.	
		Other – N/A	
(xii)	Sustainability	Given the nature of the Contract, it is not possible to include specific sustainability requirements.	
(xiii)	Key Performance Indicators / Outcomes	Appropriate Key Performance Indicators / Outcomes will be included in the Contract.	
(xiv)	London Living Wage	Given the nature of the Contract it is not appropriate to include provision requiring payment of the London Living Wage.	

Ref.	Requirement	Response
(xv)	Contract Management	A contract manager will be appointed, and appropriate contract management provisions will be included in the Contract. Contract is categorised as a Strategic/Major Contract under the Contract Segmentation Tool and therefore the relevant Contract Management Guidance for Strategic Contracts will be put in place.

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 Part 3 of the Council's Constitution states that the Corporate Director, Finance and Resources has delegated authority to approve the award of contracts for services valued at less than £2 million. The estimated value of the Contract is £801,371 excluding VAT.

5.2 The cost of the contract will be funded from the Shared Technology Service borough's budgets, as set out in the table below.

	FY 2024/25		Costs
	Users	% Split	
Brent	3,700	29.134%	£ 233,470.29
Lewisham	3,300	25.984%	£ 208,230.26
Southwark	5,700	44.882%	£ 359,670.45
	12,700	100.00%	£ 801,371.00
LGA	570	4.488%	£ 35,967.04
Brent	3,130	24.646%	£ 197,503.25

6.0 Legal Considerations

6.1 The estimated value of the Contract over its lifetime is in excess of the Public Contracts Regulations 2015 (the "PCR 2015") threshold for Services and the award of the Contract is therefore governed by the PCR 2015.

6.2 Officers recommend the use of a framework to procure the Contract. 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 agreement need to be carried out in accordance with the framework rules, to include using evaluation criteria specified in the framework agreement and utilising the terms and conditions set out in the framework agreement.

- 6.3 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 Corporate Director or Director and provided that the Corporate Director, Governance has advised that participation in the framework is legally permissible. The Corporate Director, Governance has confirmed that participation in the Framework is legally permissible.
- 6.4 The award of the Contract is subject to the Council's own Standing Orders in respect of Medium Value Contracts. The Corporate Director, Finance and Resources has delegated power to award Medium Value Contracts in accordance with paragraph 9.5 of Part 3 of the Constitution.
- 6.5 The decision to award the contract will be subject to call-in as provided for in the Council's Constitution. As the procurement of the Contract is from a framework, there is no requirement for the Council to observe a 10 day standstill period under the PCR 2015. Subject to no call-in preventing award, Officers will seek to implement the decision to award.

7.0 Equity, Diversity & Inclusion (EDI) Considerations

- 7.1 Pursuant to s149 Equality Act 2010 (the "Public Sector Equality Duty"), the Council must, in the exercise of its functions, have due regard to the need to:
- (a) eliminate discrimination, harassment and victimisation and other conduct prohibited under the Act
 - (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,
- 7.2 The Public Sector Equality Duty covers the following nine protected characteristics: age, disability, marriage and civil partnership, gender reassignment, 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 There is no prescribed manner in which the council must exercise its public sector equality duty but having an adequate evidence base for its decision is necessary.

7.5 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 it is unlikely to impact on the Council's environmental objectives and climate emergency strategy.

9.0 Human Resources/Property Considerations (if appropriate)

9.1 This service is currently provided by an external contractor and there are no implications for Council staff arising from retendering the Contract.

10.0 Communication Considerations

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

Report sign off:

MIKE LIGORIO
Commercial Contract and
Procurement Manager