



## Decision of Cabinet Member for Finance and Resources

**Report from the Corporate Director of Service Reform and Strategy**  
**Lead Cabinet Member for Finance and Resources – Cllr Mili Patel**

### **AUTHORITY TO AWARD CONTRACT FOR ICT WORK WITH THE LOCAL GOVERNMENT ASSOCIATION IN ACCORDANCE WITH PARAGRAPH 13 OF PART 3 OF THE CONSTITUTION**

<b>Wards Affected:</b>	All
<b>Key or Non-Key Decision:</b>	Key Decision
<b>Open or Part/Fully Exempt:</b> (If exempt, please highlight relevant paragraph of Part 1, Schedule 12A of 1972 Local Government Act)	Open
<b>No. of Appendices:</b>	None
<b>Background Papers:</b>	None
<b>Contact Officer(s):</b> (Name, Title, Contact Details)	Name: Derrick Boyce Job Title: Head of ICT Solutions Email: derrick.boyce@brent.gov.uk

## 1.0 Executive Summary

1.1 This report sets out the proposals for Brent Council to continue to partner with the Local Government Association for the provision of ICT services and to award a contract for ICT work with the Local Government Association.

## 2.0 Recommendation(s)

That the Deputy Leader and Cabinet Member for Finance and Resources, having consulted with the Leader and in accordance with paragraph 13 of Part 3 of the Constitution:

2.1 Notes the current arrangements for partnership working with the Local Government Association in relation to the provision of ICT services as set out in paragraphs 3.2 and 3.3.

2.2 Approves the Council entering into a further agreement to partner with the Local Government Association for a period of 2 years with an option of a 1 year extension for the provision of ICT services, to include the hosting of its ICT services at the Brent Data Centres, the ongoing provision of ICT support

services and the implementation of new software and hardware where necessary.

- 2.3 Approves the award of the contracts for the provision of ICT Services to the Local Government Association and LGA Digital Services Ltd for 2 years with an option of a 1-year extension in the sum of £2,850,627.

### **3.0 Detail**

#### **Contribution to Borough Plan Priorities & Strategic Context**

- 3.1 The proposals to continue Brent Council's partnership with the Local Government Association for the provision of ICT services are closely aligned with the council's overarching priorities of delivering efficient, modern, and reliable public services. By ensuring access to robust ICT infrastructure and support, the council is able to enhance its digital capabilities, support innovation, and maintain resilience in service delivery to external partners. In addition, the partnership provides a platform to explore and develop commercial opportunities, leveraging the council's ICT expertise and assets to generate additional value and potential income streams. This approach underpins the council's commitment to effective governance, improved resident experiences, and the achievement of strategic objectives outlined in the Borough Plan, positioning Brent as a forward-thinking and responsive local authority.

#### **Background**

- 3.2 The council entered into a partnering arrangement with the Local Government Association (LGA) for the provision of ICT services in January 2016. This arrangement involved the establishment of a company jointly owned by the council and the LGA, called LGA Digital Services Limited (LGA Digital). This is a company that complies with the requirements of Regulation 12 of the Public Contracts Regulations 2015 and now Schedule 2 of the Procurement Act 2023 (commonly referred to as a Teckal company). Three contracts were entered into whereby LGA Digital provided services to the LGA and purchased from and also provided services to the Council. The three contracts are:
- 1) LGA Digital to LGA for ICT services;
  - 2) LGA Digital to Brent Council for ICT services;
  - 3) Brent Council to LGA Digital for ICT services.
- 3.3 The partnering arrangement with the LGA has worked well since 2016 and the Council entered into further agreements for the provision of ICT services via a Cabinet decision on 12 October 2020. When Brent offers ICT (Information and Communications Technology) services to the LGA, it creates a mutually beneficial relationship. Below is a summary of the key benefits for Brent in providing these services in exchange for income.
- Increased Income - Generates additional revenue, supporting financial sustainability and reinvestment in local services.

- Skill Development - Enhances technical expertise and operational efficiency through managing diverse ICT projects.
- Cost Savings - Achieves economies of scale, lowering costs for ICT resources and support.
- Reputation & Partnerships - Strengthens relationships and reputation within the sector, leading to new opportunities.
- Innovation - Promotes sharing of best practices and adoption of the latest technology.
- Better Services - Enables reinvestment in local ICT, improving quality for residents and businesses.

3.4 The existing contracts between the Council, LGA Digital and the LGA were due to expire on 29th January 2026. The parties agreed to a short extension for a further 1 month, to enable the terms of the new contracts to be agreed. The existing contracts are now due to expire on 28<sup>th</sup> February 2026. Following a review of partnering arrangements, the LGA has indicated that they would like to continue to work in partnership with the Council and for LGA Digital to continue to deliver ICT services. The LGA have gone through their internal governance procedures to approve entry into the contracts.

3.5 Officers consider that there are benefits to the Council in continuing to deliver the service in partnership with the LGA. These include:

- Enhanced Reputation - Sustained collaboration with the LGA positions Brent as a leader in local government ICT, reinforcing its reputation for innovation and reliability within the sector.
- Commercial Opportunities - Extending the partnership opens new avenues for Brent to offer ICT solutions to other public sector bodies, potentially generating further income and diversifying its commercial portfolio.
- Knowledge Sharing - Continued joint working encourages the exchange of expertise and best practice between organisations, fostering a culture of learning and professional development for Brent staff.
- Supporting Continuous Improvement - The ongoing partnership provides a framework for regular review and enhancement of ICT services, helping Brent to stay at the forefront of technological advances and deliver ever-improving services to residents and businesses.

3.6 It is proposed that future partnering arrangements will be delivered in the same way as currently, using LGA Digital, the Teckal company jointly owned by LGA and Brent.

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

4.1 The Lead Member has been engaged on these proposals.

#### **5.0 Financial Considerations**

5.1 The annual support cost is estimated to be £841,386 in STS costs and

£108,643 in telephony charges; a total of £950,029 per annum, for 620 LGA users. These costs are expected to cover any expenditure incurred by Brent towards the delivery of the ICT services.

## **6.0 Legal Considerations**

6.1 The recommendation in this report for the Council to partner with the LGA for the provision of ICT services is permitted pursuant to the general power of competence in s1 of the Localism Act 2011 and the Local Authority (Goods and Services) Act 1970. The partnering arrangements proposed with the LGA do not constitute the establishment of a formal partnership.

6.2 Contract Standing Order 85 sets out certain requirements for the entry into a partnership agreement and for collaborative procurements with other public bodies. Contract Standing Order 85 provides that:

(a) No Partnership Arrangements may be entered into unless they are approved by the Corporate Director, Finance and Resources and a formal agreement covering the arrangements is signed by the parties. Officers have confirmed in section 5 that the Corporate Director, Finance and Resources has approved entry into the partnership agreement.

(b) Any Partnership Arrangement or Collaborative Procurement which includes delegation of powers shall be approved by the Cabinet (or, where relevant, Full Council) – The proposed agreement does not include delegation of powers.

(c) Any Collaborative Procurement shall comply with these Standing Orders and Financial Regulations unless: (i) agreed otherwise in consultation with the Head of Procurement and in writing by the Corporate Director, Finance and Resources and the Monitoring Officer; or (ii) in the case of a High Value Contract, the agreement of the Cabinet is obtained under Standing Order 84(a). – This is not applicable.

(d) Any agreement between the Council and one or more other body which includes any payment by the Council in respect of the costs of carrying out a Collaborative Procurement shall comply with these Standing Orders unless agreed otherwise in writing by the Corporate Director, Finance and Resources and the Monitoring Officer – This is not applicable.

6.3 Consistent with current partnering arrangements, it is proposed that the Council, LGA and LGA Digital will enter into agreements setting out the parties' respective duties and liabilities in relation to the proposed arrangement. These agreements are likely to be classed as High Value Contracts under the Council's Contract Standing Orders and Financial Regulations. As such, Cabinet Member approval is required to award / enter into such contracts in accordance with Paragraph 13 of Part 3 of the Constitution.

**6.4 The value of the proposed agreements is such that a competitive procurement**

process would ordinarily be required under the Procurement Act 2023 (PA23). However, as detailed in paragraph 3.2, Brent and LGA established LGA Digital in 2016 to deliver the services and this is a company that complies with the requirements of Section 2 of Schedule 2 (the Vertical Arrangements) of the PA23. As a result, both the Council and the LGA may rely on Section 2 of Schedule 2 of the PA23 to directly award contracts to LGA Digital. LGA Digital may also rely on Section 2 of Schedule 2 of the PA23 to direct award a contract to the Council.

## **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.
- 7.6 There are no health equalities implications associated with this proposal. The recommended actions do not affect health equality or disproportionately impact the health outcomes of any particular group. As such, the proposal upholds principles of equality and does not require further mitigation in relation to health equalities.

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

8.1 This proposal directly advances the Council's environmental objectives by promoting digital transformation, which aligns with the Council's commitment to reduce waste and improve operational efficiency. By minimising the use of paper and other consumables, the Council actively supports its ambition to reduce carbon emissions. Furthermore, prioritising energy-efficient technology and cloud infrastructure demonstrates a proactive approach to reducing the Council's overall carbon footprint. These measures are integral to the Council's climate emergency strategy, ensuring that all new investments are evaluated for their environmental impact and contribute positively towards a more sustainable future for the community.

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

9.1 This service is currently provided by Shared Technology Services (STS) and there are no implications for Council staff arising from renewing the Contract.

## **10.0 Communication Considerations**

10.1 A clear and comprehensive communication strategy will be developed to ensure all stakeholders are informed of the proposal and its implications. This will involve timely updates to staff, service users, partners, and residents through appropriate channels. The communications will be designed to be accessible and transparent, allowing opportunities for questions and feedback to be addressed effectively.

10.2 Where necessary, tailored messages will be crafted to address the specific needs of different audiences, ensuring inclusivity and clarity throughout the process. Monitoring and evaluation mechanisms will be put in place to assess the effectiveness of communications and to make improvements as required.

**Report sign off:**

*Rachel Crossley*  
Corporate Director, Service Reform & Strategy