

## Notice of KEY Executive Decision

<b>Subject Heading:</b>	<b>Ea21 Contract Award for supply of computer hardware and software services</b>
<b>Cabinet Member:</b>	<b>Councillor Roger Ramsey – Cabinet Member for Finance &amp; Property</b>
<b>SLT Lead:</b>	<b>Jane West – Chief Operating Officer</b>
<b>Report Author and contact details:</b>	Lauren White <a href="mailto:Lauren.white@onesource.co.uk">Lauren.white@onesource.co.uk</a> 02033736527
<b>Policy context:</b>	Opportunities – Value for Money
<b>Financial summary:</b>	This decision commits the council to continue to spend at similar levels on devices; approx. £950k over four years funded from individual service budgets.
<b>Reason decision is Key</b>	<b>Expenditure or saving (including anticipated income) of £500,000 or more</b>
<b>Date notice given of intended decision:</b>	<b>29<sup>th</sup> November 2021</b>

**Key Executive Decision**

<b>Relevant OSC:</b>	Overview and Scrutiny Board
<b>Is it an urgent decision?</b>	No
<b>Is this decision exempt from being called-in?</b>	No

**The subject matter of this report deals with the following Council Objectives**

Communities making Havering	<input type="checkbox"/>
Places making Havering	<input type="checkbox"/>
Opportunities making Havering	<input checked="" type="checkbox"/>
Connections making Havering	<input type="checkbox"/>

## **Part A – Report seeking decision**

### **DETAIL OF THE DECISION REQUESTED AND RECOMMENDED ACTION**

Officers are seeking approval to enter into a call-off contract with the successful supplier from Lot 1: Hardware & Software & Associated Services of the Crown Commercial Services (CCS) Technology Products and Associated Services Framework (RM6068), for the future purchases of IT hardware (including laptops, tablets and monitors) up to a value of £950,000 for the duration of four years, commencing 10<sup>th</sup> December 2021.

### **AUTHORITY UNDER WHICH DECISION IS MADE**

Part 3 [Responsibility for Functions] of the Council's Constitution

#### **3.3 Powers of Members of the Senior Leadership Team**

Members of the Senior Leadership Team (SLT) have delegated authority to act as follows within the assigned service service/portfolio of responsibilities, subject to the general provisions and limitations set out in section 3.1 of the Constitution .

#### **Contract powers**

(b) To award all contracts with a total contract value of between £500,000 and £5,000,000 other than contracts covered by Contract procedure Rule 16.3.

(c) To sign contracts on behalf of the Council which do not require sealing under paragraph 4 of Article 10 of this constitution.

### **STATEMENT OF THE REASONS FOR THE DECISION**

Any contract which commits the council to spend over £500k, is considered a key decision.

This report seeks approval to enter into a contract with the successful supplier of the Crown Commercial Services (CCS) EA21 IT hardware aggregation agreement, for the future purchases of IT hardware (including laptops, tablets and monitors).

CCS ran an aggregate opportunity for all local authorities using Lot 1 of the Technology Products and Associated Services (RM6068) framework, known as the EA21 IT hardware aggregation. There are a total of 28 local authorities taking part in the opportunity and London Borough of Camden are acting as lead borough.

The EA21 IT hardware aggregation agreement replaces the previous EA16 further competition (also run by CCS) that Havering had previously awarded the contract to XMA limited to purchase IT hardware. This framework expired on 1<sup>st</sup> June 2021. It was intended that the new EA21 IT hardware aggregation agreement would have awarded in June 2021, but delays in issuing the Invitation to Tender has meant that the final award was not completed until 9<sup>th</sup> September 2021.

## Key Executive Decision

The EA21 IT hardware aggregation agreement is made up of multiple Lots to allow for the specific purchases of IT hardware. Potential suppliers respond to the specification and via an e-auction (ran on the 25<sup>th</sup> August 2021) put forwards set costs for the lifetime of the contract. The supplier who finishes with the lowest cost on the day of the e-auction will be awarded the contract.

The e-auction has provided a saving against each device compared to market value of between 18.87 – 32.98%. The full savings detail can be found in Appendix 1. The agreement is based on a 70% price 30% quality split. The initial term for the agreement is two years, with two additional one year extensions permissible.

The anticipated start date of the contract, following this key decision is 10<sup>th</sup> December 2021. The overall anticipated spend across the full four years is £950,000. This is based on an annual replacement of 10% of current devices. This isn't anticipated to be higher due to the whole council device refresh completed as part of the SmartWorking programme being completed in early 2020 to support remote working as part of the council's covid response.

Device Type	Anticipated Orders per year	EA21 price
X13	300	£ 209,700.00
L15	40	£ 24,040.00
P15	3	£ 3,381.00
	Anticipated Total Spend per year	£ 237,121.00
	Anticipated Initial Term total spend	£ 474,242.00
	Anticipated full term total spend	£ 948,484.00

Each local authority entering into the agreement has its own separate contract.

## **OTHER OPTIONS CONSIDERED AND REJECTED**

Do nothing – not considered. The value of spend for IT hardware each year is above procurement levels and so requires a formal procurement process to have been followed in order to award a contract.

To run own tender via CCS Technology Products & Associated Services Lot 1 – this was not considered as more favourable pricing will be available to Havering for taking part of the EA21 aggregate opportunity.

**Key Executive Decision**

**PRE-DECISION CONSULTATION**

- Attendance at Theme board (29<sup>th</sup> November 2021)
- Procurement – CP2 award 10<sup>th</sup> November 2021

**No public consultation is needed for this decision.**

**NAME AND JOB TITLE OF STAFF MEMBER ADVISING THE DECISION-MAKER**

Name: Lauren White

Designation: Interim Assistant Director of IT Oversight

Signature: Lauren White

Date: 15<sup>th</sup> November 2021

## Part B - Assessment of implications and risks

### LEGAL IMPLICATIONS AND RISKS

1. This report seeks approval to award a number of call-off contracts from Lot 1: Hardware & Software & Associated Services of the Crown Commercial Services (CCS) Technology Products and Associated Services Framework (RM6068).
2. Section 1 of the Localism Act 2011 affords the Council a power of general competence "*to do anything that individuals generally may do*". Section 2 of the same Act sets out the limits of that general power, requiring local authorities to act in accordance with statutory limitations or restrictions.
3. On 10<sup>th</sup> November 2021, the (Checkpoint) Gateway Review Group (GRG) panel recommended approval to proceed with the intended procurement activity, in accordance with the Contract Standing Orders (CSO) 8.3.
4. Under section 3.3 of Part 3 [Responsibility for Functions] of the Council's Constitution, Members of the Senior Leadership Team (SLT) have delegated authority to act within the assigned service/ portfolio of responsibilities, including, "*To award all contracts with a total contract value of between £500,000 and £5,000,000 other than contracts covered by Contract procedure Rule 16.3.*"
5. The total contract value exceeds the current EU procurement threshold for goods and services (currently £189,330), and would generally necessitate publication of a Contract Notice in the Official Journal of the European Union (OJEU) as well as an advertisement on Contracts Finder. However officer's use of an existing framework, under which the Council is part of an identifiable group cited within the published contract notice, satisfies the OJEU advertising requirement.
6. The conclusion of the call-off contract is subject to consultation with Legal Services; and in line with the CPRs, any contract award must be published on Contracts Finder where a value net of VAT is estimated to be more than £25,000.

### FINANCIAL IMPLICATIONS AND RISKS

. The estimated total cost of this contract is £950k over 4 years. This is based on an anticipated annual refresh of 10% of devices each year. Although it isn't expected the new contract will cost less than the existing contract based on historic ordering data/levels, value for money will be achieved via more modern technology and ensuring assets are fully utilised before being decommissioned.

## **Key Executive Decision**

There is no corporate/centralised budget to fund these costs; the budget for the purchase of lap tops resides within wider council budgets. Costs are paid by the ICT service and then recharged to the service who initiated the order.

The figures given above represent the maximum value of approved spend; this is a call-off contract and so the Council is not committing to spend by entering into this agreement and need only spend as and when it is deemed required

### **HUMAN RESOURCES IMPLICATIONS AND RISKS (AND ACCOMMODATION IMPLICATIONS WHERE RELEVANT)**

Not applicable

This contract has no impact on HR or accommodation implications and no associated risks

### **EQUALITIES AND SOCIAL INCLUSION IMPLICATIONS AND RISKS**

The Public Sector Equality Duty (PSED) under section 149 of the Equality Act 2010 requires the Council, when exercising its functions, to have 'due regard' to:

- (i) The need to eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Equality Act 2010;
- (ii) The need to advance equality of opportunity between persons who share protected characteristics and those who do not, and;
- (iii) Foster good relations between those who have protected characteristics and those who do not.

Note: 'Protected characteristics' are age, disability, gender reassignment, marriage and civil partnerships, pregnancy and maternity, race, religion or belief, sex/gender, and sexual orientation.

The Council is committed to all of the above in the provision, procurement and commissioning of its services, and the employment of its workforce. In addition, the Council is also committed to improving the quality of life and wellbeing for all Havering residents in respect of socio-economics and health determinants.

Equipment purchased is compatible with software used to assist as necessary

**Key Executive Decision**

**HEALTH AND WELLBEING IMPLICATIONS AND RISKS**

Not applicable to the nature of this contract and no risks

**BACKGROUND PAPERS**

**None**



**Key Executive Decision**

**Part C – Record of decision**

I have made this executive decision in accordance with authority delegated to me by the Leader of the Council and in compliance with the requirements of the Constitution.

**Decision**

Proposal agreed

*Delete as applicable*

Proposal NOT agreed because

**Details of decision maker**

Signed

Name:

Cabinet Portfolio held:

CMT Member title:

Head of Service title

Other manager title:

Date:

**Lodging this notice**

The signed decision notice must be delivered to the proper officer, Debra Marlow, Principal Committee Officer in Democratic Services, in the Town Hall.

**For use by Committee Administration**

This notice was lodged with me on \_\_\_\_\_

Signed \_\_\_\_\_