

Report of ICT Infrastructure Manager

Report to Chief Digital Officer

Date: 26 May 2017

Subject: LCCITS200186c Enterprise Server and Storage Support, Goods and Services (Lot 2 Wintel) – Award of Contract.

Are specific electoral wards affected? If relevant, name(s) of ward(s):	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Is the decision eligible for call-in?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, access to information procedure rule number: Appendix number: 1 – Detailed score and price breakdown	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No

Summary of main issues

1. The Chief Digital Officer approved the commencement of a procurement exercise for an Enterprise Server Hardware Support, Goods and Services Framework on 18 November 2016.
2. The procurement was split into 3 Lots (Lot 1 – Unix, Lot 2 – Wintel and Lot 3 – Storage).
3. Following the procurement using the Open Procedure of the Public Contract Regulations 2015, no suitable tenders were received for Lot 2 (Wintel).
4. Subsequently approval was obtained to abandon the procurement of Lot 2 (Wintel) and approve the commencement of a new procurement (LCCITS200186c Enterprise Server and Storage Support, Goods and Services - Lot 2 Wintel Only) using Regulation 32 (2) (a) of the Public Contracts Regulations 2015 (Negotiated Procedure without prior

publication of a contract notice) on the ground that no suitable tenders were received as none of the submitted bids were capable of meeting the Council's needs and requirements without substantial changes.

5. Following the new procurement exercise run in accordance with the Council's Contracts Procedure Rules and the Public Contract Regulations, this report seeks approval to award a contract for Lot 2 Wintel.

Recommendations

6. The Chief Digital Officer is requested to approve the award of a contract to Computacenter (UK) Limited for Enterprise Server Hardware Support, Goods and Services Contract - Lot 2 (Wintel).

1. Purpose of this report

- 1.1. Following evaluation of tenders received for an Enterprise Server Hardware Support, Goods and Services Contract (Lot 2 Wintel), this report seeks approval to award a contract to Computacenter (UK) Limited.

2. Background information

- 2.1. The contract is for an Enterprise Server Hardware Support, Goods and Services Contract for the Councils Wintel estate.
- 2.2. The procurement followed the Negotiated Procedure without prior publication of a contract notice of the Public Contract Regulations 2016 on behalf of:

- Leeds City Council, Civic Hall, Leeds, LS1 1UR
- Calderdale Metropolitan District Council
- Kirklees Council
- Leeds & York Partnership NHS Foundation Trust

Each organisation will enter into its own contract with the successful tenderer in accordance with its own governance rules.

- 2.3. The duration of the contract is four years
- 2.4. Pricing will be called off for support based on an up to date inventory of the Councils Wintel estate and individual requirements.
- 2.5. Any additional spend on Supply of Goods and Technical and Professional Services to be subject to internal approval on a project by project basis as requirements arise although there is no minimum commitment in these areas.
- 2.6. The evaluation panel comprised:
 - Simon Cowen - ICT Infrastructure Manager, Strategy & Resources
 - Melvin Thompson - ICT Infrastructure Manager, Strategy & Resources
 - Michael Winters - Principal IT Infrastructure Officer, Strategy & Resources
- 2.7. The following tenderers submitted a response to the Council's Invitation to Tender for Lot 2 Wintel:
 - Computacenter (UK) Limited

- Concorde IT Group Ltd
- Esteem Systems Ltd
- ICC Managed Services Ltd
- Mcsa Group Ltd
- Specialist Computer Centres Plc

2.8. The tender from ICC Managed Services Ltd was rejected at the qualification stage as it did not meet the required minimum threshold detailed within the qualification questionnaire.

3. Main considerations and reasons for contract award

3.1. The tender was evaluated on both Quality and Price

3.2. The maximum amount of points available for quality was 500 and was subdivided with thresholds applied as follows:

Method Statement	Assessment Method	Maximum Points Available	Threshold
Question 1	Scored	120	48
Question 2	Scored	30	12
Question 3	Scored	40	16
Question 4	Scored	40	16
Question 5	Scored	40	16
Question 6	Scored	30	12
Question 7	Scored	30	12
Question 8	Scored	70	0
Question 9	Scored	100	40
Question 10	Pass/Fail	0	0

3.3. The points available for each method statement were related to the importance of the method statement to the delivery of the contract.

3.4. In addition, an overall quality threshold of 50% (250 points) applied.

3.5. The maximum amount of points available for price was 500 and comprised:

- Support Service: 400
- Goods Supply: 50
- Technical and Prof Services: 50

3.6. The points available for each price component was in proportion to the anticipated life-cycle costs, namely the ongoing cost to deliver the service, the ability of tenderers to maintain a cost effective supply chain; and the cost of providing ad-hoc technical and professional services.

3.7. The overall price and quality scores for each of the tenderers can be found in confidential appendix 1 and demonstrates Computacenter (UK) Limited offered the best combination of price and quality.

3.8. The prices submitted by the successful tenderer were the lowest received and were in line with expectations.

4. Corporate considerations

4.1. Consultation and engagement

- 4.1.1. No consultation has taken place with key stakeholders as to whether the contract should be awarded to the winning bidder or not as this is determined by the evaluation of the tender received. However, consultation with key stakeholders was undertaken when the particular procurement route was chosen.
- 4.1.2. PPPU were consulted for advice on the decision to use the Negotiated Procedure without prior publication of a contract notice due to no suitable tenders being received for the original procurement.

4.2. Equality and diversity/cohesion and integration

- 4.2.1. There are no issues relevant to Equality and Diversity / Cohesion and Integration with this decision

4.3. Council policies and best council plan

- 4.3.1. This contract underpins the delivery of the ICT Service which supports the delivery of Council Policies and the Best Council Plan.

4.4. Resources and value for money

- 4.4.1. This contract supersedes an existing arrangement and has no additional resource requirement.
- 4.4.2. The requirements specification was developed to reduce the impact on Council resources where possible.
- 4.4.3. Tenders were evaluated on price and the successful tenderer demonstrated value for money.

4.5. Legal implications, access to information and call-in

- 4.5.1. The Chief Digital Officer is authorised to make this decision in accordance with the Deputy Chief Executives sub-delegation scheme.
- 4.5.2. The information contained in Confidential Appendix 1 is considered confidential as this includes a detailed breakdown of tenderers scores and prices.

4.6. Risk management

- 4.6.1. Contract risk will be managed by an appointed contract manager who will implement a contract management plan.

5. Conclusions

- 5.1. The successful tenderer has demonstrated its ability to meet the Council's requirements and represents value for money.

6. Recommendations

- 6.1. The Chief Digital Officer is requested to approve the award of a contract to Computacenter (UK) Limited for an Enterprise Server Hardware Support, Goods and Services Contract (Lot 2 Wintel).

7. Background documents¹

7.1. Confidential Appendix 1 – Detailed Price and Score breakdown

¹ The background documents listed in this section are available to download from the Council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.