



Agenda Item:

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Not for Publication: Appendix 1 Exempt under 10.4 category 4

REPORT OF THE CHIEF EXECUTIVE OF EDUCATION LEEDS

EXECUTIVE BOARD: 18th October 2006

SUBJECT: ICT Strategic Partner for Building Schools for the Future – selection of Preferred Bidder

Electoral wards Affected:
All

Specific Implications For:

Equality & Diversity

Community Cohesion

Narrowing the Gap

Eligible for Call-in

Not Eligible for Call-in
(Details contained in the Report)

1.0 PURPOSE OF THE REPORT

1.1 This report seeks Executive Board's approval for the appointment of a Preferred Bidder for the ICT Strategic Partner and for delegated authority to the Deputy Chief Executive in consultation with the BSF/PFI Project Board to conduct final negotiations and contract award for the ICT Strategic Partner.

2.0 BACKGROUND INFORMATION

2.1 As part of the Building Schools for the Future programme the City Council is procuring a Strategic Partner for ICT. This contract is being let alongside but separately from the main Local Education Partnership contract in order to gain further benefits across the city to enhance education and to enable transformation of teaching and learning in all schools. More detail on this arrangement was approved by Executive Board in

November 2005.

- 2.2 An evaluation panel was formed comprising officers from Leeds City Council, Education Leeds and school leaders from both primary and secondary schools, with further advice and support from DLA Piper (legal and commercial), PricewaterhouseCoopers (financial) and PTS Consulting (technical ICT and assurance). Further support and guidance has been provided by Partnerships for Schools, who have been engaged throughout the procurement process. The procurement has also been supported through the Corporate Procurement Unit and has had the input of the Public Private Partnership Unit as required. Both DLA Piper and PricewaterhouseCoopers are part of the Council's framework contract and both are also supporting the wider BSF procurement process.
- 2.3 The appointment of an ICT Strategic Partner is a key part of achieving the wider successes of the Building Schools for the Future programme, especially the transformation of teaching and learning through the use of ICT. The Partner will also work with Leeds City Council and Education Leeds in ensuring that all schools in the city are able to make more effective use of ICT in addressing key transformational projects, such as personalisation.
- 2.4 The ICT Strategic Partner will be providing a range of services to the City Council and to schools in the BSF programme. These include professional development for staff, design and implementation of ICT solutions (including networks, hardware and software) for the new schools and the provision of an ongoing fully managed service for the BSF schools. A range of citywide events and activities will promote the benefits of ICT use in education across all schools, and in particular the Partner will support the implementation and further development of the Learning Platform introduced as part of the enhancement of services available through the Leeds Learning Network.
- 2.5 Bidding has been conducted under full European tendering regulations over a period from November 2005 (issue of a tender notice to the Official Journal of the European Union) through to October 2006 (recommendation of Preferred Bidder). The evaluation has run to the revised timetable. The timing of this recommendation is intended to allow the City Council to obtain maximum advantage from the appointment in terms of engagement with schools and the City Council and to ensure full engagement of all partners in the appointment of the Local Education Partnership.
- 2.6 Seven responses were received to the Pre-Qualification Questionnaire and Preliminary Invitation to Tender from the original notice and of these, four as detailed in Appendix 1 were invited to submit full tender responses to a second stage which reflected the revisions to the output specification occasioned by the change in scope to incorporate hardware specification and supply approved by Executive Board in August 2006.
- 2.7 The public interest in maintaining the exemption in relation to the main report on this subject outweighs the public interest in disclosing the information by reason of the fact that the report is part of contract negotiations and the release of the information contained in the report may compromise the Council's commercial position and could cause the Council to breach its and European rules on procurement.

3.0 **MAIN ISSUES**

- 3.1 The ICT Strategic Partner contract will be for a period initially until 31st March 2013, with an extension available at the Council's discretion for a further period until 31st March 2018. The initial period will cover the design and implementation phases of all schools in the Building Schools for the Future programme and a five year operational period following completion of building works. This will allow the full benefits of the transformational work of the schools and the Strategic Partner to be realised.
- 3.2 The ICT Strategic Partner will be held accountable against a wide range of performance measures which reflect the range of services they will provide to the City and the outcomes which are expected to be achieved through the contract. These measures range from service desk performance through to the achievement of children and young people in the schools included in the contract. The contract as a whole is designed to ensure that there is a positive impact on the attainment of children and young people across the city (and specifically in the BSF schools) and to provide for a genuinely transformational learning environment in the BSF schools which can be used as a trailblazer project for other learning establishments in the city. The project will deliver significant benefits for the understanding of how technology can be used to impact on the inclusion and attainment of all children and young people in Leeds.
- 3.3 There is likely to be a TUPE transfer of staff from the BSF schools to the Strategic Partner. The staff affected will be technical ICT support staff and the transfer will apply from the date the managed service begins in each school. This will be the 1st April prior to the new school buildings becoming available (April 2008, 2009 and 2010 for the three phases of the programme). A full implementation and consultation plan is in place to support this process and evaluation of the bids has included bidders' responses to the human resource and TUPE issues raised by the contract.
- 3.4 The full evaluation panel has been involved in the allocation of scores through a rigorous regime which reflects that of the Local Education Partnership procurement. This has involved a thorough evaluation of bids on the basis of legal, financial and technical responses and a clarification regime managed through the LCC Procurement Unit.
- 3.5 As independent ICT consultants, PTS Consulting observed that the evaluation process was inclusive, rigorous and auditable. Specifically, a wide range of bidder meetings and clarifications were used to provide bidders the opportunity to accurately present their technical and strategic capability. A range of bidder site reference visits and conversations were used to gain evidence and assurance of the bidders' capability to deliver a complex, time-sensitive technical project driven by a strong service management vision. A complete evaluation audit trail was maintained.
- 3.6 Bids were evaluated under five broad headings reflecting the main areas of the contract, including legal and financial considerations. Detailed analysis and scores were allocated against bidders' full responses to the bid requirements. The headings were as follows
- Strategic approach and interfaces
 - ICT technical design and operation
 - Continuing professional development
 - Legal and commercial
 - Financial

- 3.7 **“Strategic approach and interfaces”** describes the requirement for the Strategic Partner to work across the city and critically with Education Leeds, schools and the City Council to develop and promote the ICT strategy for education. It also covers the work required in developing the learning platform and encouraging its take-up across the city, and the provision of appropriate support to the emerging Children’s Services agenda. The key interface management role of the Strategic Partner – managing the relationship between the partners in the city (the LEP, SP, LCC ITS and EL) delivering on aspects of ICT in education – is also in this section.
- 3.8 **“ICT technical design and operation”** considers the development of final design proposals for the BSF schools, the implementation of these designs and the operation of a managed service (including a service desk) to deliver ongoing support to schools. The provision and management of a catalogue of hardware, software and services is incorporated into this section.
- 3.9 **“Continuing professional development”** covers the areas of the Strategic Partner’s role in ensuring that all staff in the BSF schools are suitably trained in the period leading up to the delivery of the new school premises and on an ongoing basis. This requirement goes beyond simple technical training but extends critically to pedagogy and the transformational role of ICT in and across the curriculum and the management of schools. The further development of ‘learning communities’ of all staff across the city is also incorporated into this section.

The results of the evaluation are shown in confidential Appendix 1

4.0 **IMPLICATIONS FOR COUNCIL POLICY AND GOVERNANCE**

- 4.1 There are no implications for Council policy and governance.
- 4.2 It is recommended that further negotiation and final contract award is delegated by Executive Board to the Deputy Chief Executive in consultation with the BSF/PFI Project Board. This group comprises the Deputy Chief Executive, Director of Legal and Democratic Services, Director of Corporate Services, Director of Development, Lead Chief Officer (Commissioning) of Children’s Services and the Chief Officer of the PPP Unit. This will ensure that the ongoing work to appoint the ICT Strategic Partner will be carried out fully alongside the appointment of the Local Education Partnership, which work the ICT Strategic Partner will complement.

5.0 **LEGAL AND RESOURCE IMPLICATIONS**

- 5.1 The Council will be entering in a contract lasting until 31st March 2013 with an option to extend to 31st March 2018, with appropriate opportunity for review and termination during the lifetime of the contract.
- 5.2 Funding is available through the BSF programme of £1450 *per* pupil (a total of £24m) to cover initial professional development, project implementation, hardware and software. Schools will contribute the costs of the ongoing managed service through the replacement of existing contracts and the TUPE transfer of existing technical support staff. Education Leeds has made available funding to support the key citywide strategic services provided by the Strategic Partner.

7.0 **RECOMMENDATIONS**

- 7.1 That Executive Board approve the selection of the bidder recommended in Appendix 1 as Preferred Bidder for the ICT Strategic Partner contract
- 7.2 That Executive Board approve the delegation of authority to Deputy Chief Executive in consultation with the PPP/PFI Project Board to conduct final contract negotiations and award.