

Report of: ICT Resource Manager

Report to: Chief Digital and Information Officer

Date: 10/09/2020

Subject: Report seeking approval to award a framework agreement to ONI Ltd for the provision of Data Network Hardware and Maintenance for a period of 4 years commencing on 1st January 2021. The anticipated value of the framework is £3m.

Are specific electoral wards affected? If yes, name(s) of ward(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Has consultation been carried out?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Will the decision be open 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: 10.4 (3) Appendix number: 1	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

Summary

1 Main issues

- The supply of Network hardware, maintenance and support is currently provided to Leeds City Council by BT ITS (Formally BTiNet). This contract expires on 31st December 2020 with no further options available to extend.
- The Chief Digital and Information Officer approved the commencement of a procurement exercise (Decision ref: DN647155) for a Data Network Hardware and Maintenance Agreement on 13th February 2020.
- Following a procurement exercise run in accordance with both the Council's Contracts Procedure Rules and the EU Public Contract Regulations, this report seeks approval to award a single supplier Framework Agreement for the provision of a Data Network Hardware and Maintenance for a period of four (4) years.

2 Best Council Plan implications (see the [latest version of the Best Council Plan](#))

In order for the Council to undertake its work to meet the Best Council Plan it needs to be able to update and maintain the Data Network Hardware across the Estate. Procuring an effective, best value, high quality, professional contract for hardware,

maintenance and support of this infrastructure, ensure best value for money is achieved and provides the council with the required support around hardware compliancy.

Digital Information Services are woven into the very fabric of the Council. The **number one priority** for the DIS function is to maintain the day-to-day service to users, citizens and partners. Furthermore, DIS will continue to play a key part in many business improvement projects.

At the very heart of the DIS infrastructure are the networking components and it is vital that the availability of these components is maintained at all times.

The networking infrastructure is key and underpins many of the national and local programs of work, examples such as:

- 1. Unify workforce communications*
- 2. Employee and managers self service*
- 3. Workforce collaboration*
- 4. Shared services*
- 5. Location Independent working under Change in the Workplace.*

Having the correct Data Network Hardware Maintenance, support, design, supply and implementation services contract in place, to ensure the continued networking operation, is key to the success of these services as a whole.

3 Resource implications

Resource implications for LCC should be minimal however we will need to spend time with the new supplier to go through the new processes and procedures we need to use to order and maintain our inventory of stock. We should be able to cover this in regular service meetings and initial introductory meetings once the contract starts. There will also be a requirement to work with BT as the outgoing supplier to transition across smoothly.

Recommendations

In line with Contract Procedure Rule (CPR) 18, the Chief Digital and Information Officer is requested to approve the award of a Framework Agreement to ONI PLC for a period of four (4) years for the provision of Data Network Hardware and Maintenance for the period 1st January 2021 to 31st December 2024.

1. Purpose of this report

- 1.1 Following the evaluation of tenders received for the provision of a Data Network Hardware and Maintenance Agreement, this report seeks approval to award a contract to ONI PLC, 16-24 Crawley Green Rd, Luton LU2 0QX.

2. Background information

- 2.1 The supply of Data Network Hardware, maintenance and Support is currently provided by BT IT Services Ltd (Formally BTiNet) under an existing contract that expires on 31st December 2020.
- 2.2 The current agreement was awarded to BTiNet in 2015 and was a three year contract with two separate one year extensions available. These have all now been used and a further final extension was agreed, utilising Regulation 72 (1) (c) of the Public Contracts Regulations 2015 (Extending or modifying contracts during their term). The Council needed to react to the current situation that is a genuine emergency (Covid-19 / Coronavirus), focussing key resources on vital services, whilst providing stability to the current service provision. This extension ends on 31st December 2020.
- 2.3 The Data and Voice Network under support includes hardware maintenance and technical support of networking and security devices covered under this agreement. Any item that develops a hardware fault is swapped out and returned to operational service with the SLA terms of the agreement.
- 2.4 The total spend on Hardware, support and maintenance is estimated to be around £3 million pounds over 4 years.
- 2.5 The evaluation panel comprised of:
- ICT Infrastructure Manager, Resources & Housing
IT Resource Manager (Technical Teams), Resources & Housing
Technical lead - Network and security, Resources & Housing
Security Infrastructure Officer, Resources & Housing
- 2.6 The following tenderers submitted a response to the Council's Invitation to Tender (ITT), which was conducted in accordance with both the Council's Contracts Procedure Rules and the EU Public Contract Regulations. The ITT was published on the Yorkshire & Humberside procurement portal YORtender and advertised in the Official Journal of the European Union:
- Bechtle Direct Ltd
 - British Telecommunications
 - CDW Limited
 - Celerity
 - Cisilion Ltd
 - HG Webs

- ISDM Solutions Limited
- Logicalis
- ONI plc

2.7 The tenders from Bechtle Direct Ltd, Celerity, HG Webs, ISDM Solutions Limited and Logicalis were not evaluated as they failed to meet the minimum threshold requirements for the Standard Selection Questionnaire.

3 Main Considerations and reasons for contract award

3.1 The tenders received which successfully passed the initial Standard Selection Questionnaire evaluation stage (British Telecommunications, CDW Limited, Cisilion Ltd and ONI PLC), were then evaluated on both quality and price.

3.2 The maximum amount of points available for quality was 500 and the scoring for the overall evaluation of the Quality section was as follows:

	Method Statement	Assessment Method (SCORE or PASS/FAIL)	Maximum Points Available	Maximum Word Count
1	MS Q1	SCORE	120	1500
2	MS Q2	SCORE	30	750
3	MS Q3	SCORE	40	N/A
4	MS Q4	SCORE	40	750
5	MS Q5	SCORE	40	750
6	MS Q6	SCORE	30	1000
7	MS Q7	SCORE	30	750
8	MS Q8	SCORE	70	750
9	MS Q9	SCORE	100	1000
10	MS Q10	PASS/ FAIL	N/A	N/A

3.3 The points available for each method statement were related to how important that method statement was to the overall delivery of the contract.

3.4 The maximum amount of points available for price was 500.

3.5 For this tender, the price calculation was based on the tenderer with the lowest total price achieving the highest score available for price and the other tenders a reduced score based on calculating the percentage difference between them and the lowest price and deducting this percentage from the maximum score available.

- 3.6 The Council has chosen not to divide this procurement into lots. We are seeking to appoint a single supplier who can offer the full range of Data Network Hardware and Maintenance support services. Separate lots were considered but the conclusion was that the scope of requirements and inter-dependency of processes involved make it impractical and uneconomical. It would, therefore, not be appropriate to divide these requirements into lots.
- 3.7 The overall price and quality scores for all tenderers can be found in Confidential Appendix 1 which illustrates that ONI plc were the highest scoring tenderer based on quality/price combination.

4 Corporate considerations

4.1 Consultation and engagement

- 4.1.1 Consultation with key stakeholders was undertaken when the particular procurement route was chosen including:

- Chief Digital and Information Officer
- ICT Strategic Sourcing Manager

No consultation has taken place with key stakeholders as to whether the Framework Agreement should be awarded to the winning bidder or not as this is determined by the evaluation of the tenders received.

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 the Best Council Plan

- 4.3.1 The Hardware, maintenance and Support procured under this framework will underpin the delivery of Council Policies and the Best Council Plan.

Climate Emergency

- 4.3.2 Hardware can and does contribute to Leeds City Councils efforts to tackle the causes and effects of climate emergency, e.g. effective management of flood defences. A procured contract enables easier and cheaper purchasing of such hardware.
- 4.3.3 Having the correct Data Network Hardware Maintenance, support, design, supply and implementation services contract in place, to ensure the continued networking operation, is key to the success of these services as a whole.

4.4 Resources, procurement and value for money

- 4.4.1 The supply of Data network hardware, maintenance and support is specialised in nature and requires a supplier who will work with Leeds City Council to seek the best possible market price for each item of hardware.

- 4.4.2 A full procurement process has been undertaken in order to ensure that the council obtains best value for money.
- 4.4.3 The price submitted by ONI PLC to deliver the outcomes required for this project is considered to represent value for money as they were the most economically advantageous tender.

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

- 4.5.1 This is a Significant Operational Decision as it is a direct consequence of a previous Key Decision taken to procure this contract. This Key Decision can be seen here:
<https://democracy.leeds.gov.uk/ieDecisionDetails.aspx?ID=50552>
- 4.5.2 The procurement of the contract will be conducted in accordance with the Public Contract Regulations 2015.
- 4.5.3 The information contained in **Confidential Appendix 1** is considered confidential as this includes a detailed breakdown of tenderers scores and prices.
- 4.5.4 The procurement followed the Open Procedure of the EU Public Contract Regulations 2015 and a notice was advertised in the Official Journal of the European Union.
- 4.5.5 In addition, the procurement was advertised on the Council's tendering website, YORtender.co.uk and the Government Contracts Finder website.
- 4.5.6 In accordance with the Public Contract Regulations 2015, a standstill period will be observed before awarding the contract.

4.6 Risk management

- 4.6.1 The Framework contract risk will be managed by an appointed contract manager who will implement a contract management plan. Individual call-off contracts placed against the Framework will have their own governance arrangements.
- 4.6.2 The contract agreement will be managed by an appointed contract manager in line with the contract management plans and any risks which are highlighted through the term of the contract will be managed and mitigated through regular account management/supplier review meetings.

5 Conclusions

- 5.1 Following conclusion of the procurement exercise the evaluation panel were confident that the successful tenderer has demonstrated its ability to meet the Council's requirements and represents value for money.

6 Recommendations

6.1 In line with Contract Procedure Rule (CPR) 18, the Chief Digital and Information Officer is requested to approve the award of a Data Network Hardware and Maintenance Framework Agreement to ONI PLC for a period of four (4) years, commencing on 1st January 2021.

7 Background documents¹

7.1 None.

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.