

Authority to directly award a call-off contract to Telefonica UK Limited, under Yorkshire Purchasing Organisation (YPO) Framework 976 (Network Connectivity and Telecommunication Solutions) Lot 1, for the supply, storage and delivery of ICT hardware devices.

Date: 27/09/24

Report of: Device Manager, Integrated Digital Services (IDS).

Report to: Assistant Chief Executive (People, Digital and Change)

Will the decision be open for call in? Yes No

Does the report contain confidential or exempt information? Yes No

Brief summary

The purpose of this report is to seek approval to award a contract directly to Telefonica UK Limited for the provision of an order of 1000 laptop devices, plus associated storage, and delivery through the YPO Framework 976 (Network Connectivity and Telecommunication Solutions) Lot 1. The total cost of this order is £646,490.00.

We are currently out of contract for a partnered supplier for the purchase of hardware devices, this purchase is a one-off order to meet our laptop refresh requirements for this year. We are currently working on a longer-term arrangement for our ongoing requirements.

The purpose of this order is to have sufficient devices in stock to fulfil laptop refresh plans for this financial year. The Council also order equipment based on demand coming in from MYIT requests and needs to have sufficient stock to meet requirements to allow for orders to be fulfilled immediately. To ensure continuity of key Council services there is a requirement to procure approximately 1000 laptop devices. We have in the region of 1000 laptops on the network that are not compliant with the next upgrade of Microsoft Windows 11.

Recommendations

The Assistant Chief Executive (People, Digital and Change) is recommended to:

- a) Approve the award of a call-off contract to Telefonica UK Limited under the YPO Framework 976 (Network Connectivity and Telecommunication Solutions) Lot 1 framework, for provision of laptops and associated device storage. This is a one-off order for hardware devices and

storage and does not constitute an ongoing contract. The contract start date will be 30th September 2024 for a 12-month term.

- b) Note that the award of the call-off contract has been processed as a direct award under the framework conducted in line with the relevant framework terms.
- c) Note that the proposed value of this order is £646,490.00.

What is this report about?

- 1 This report seeks approval to directly award a contract to Telefonica UK Limited for the provision of laptops and associated storage off-council premises. Award of this contract will be through the YPO Framework 976 (Network Connectivity and Telecommunication Solutions) Lot 1.
- 2 The purpose of this order is to have sufficient devices in stock to fulfil laptop refresh plans for this financial year. The Council also order equipment based on demand coming in from MYIT requests and needs to have sufficient stock to meet requirements to allow for orders to be fulfilled immediately. To ensure continuity of key Council services there is a requirement to procure approximately 1000 laptop devices. We have in the region of 1000 laptops on the network that are not complaint with the next upgrade of Microsoft Windows 11.
- 3 The council is currently planning to renew our ongoing requirement for ICT goods supply and services and this work is underway.

What impact will this proposal have?

- 4 Approval to award this contract will allow LCC to have sufficient laptop devices in stock to fulfil order requirements and refresh plans for this financial year.

How does this proposal impact the three pillars of the Best City Ambition?

- Health and Wellbeing Inclusive Growth Zero Carbon

- 5 This contract will contribute to the delivery of the following Council policies and priorities:
- 6 Spending Money Wisely. Provision of effective kit is critical for colleagues because it impacts productivity and the level of service we provide to customers. We need to be able to adopt new releases of technology and the right kit to support that is essential. Our oldest laptops on the device estate will be refreshed with the new laptops. These will then be compatible with Microsoft Windows 11 which in turn will avoid us paying unnecessary support costs for having old hardware on the estate.

What consultation and engagement has taken place?

Wards affected: None

Have ward members been consulted? Yes No

- 7 Councillor Coupar was briefed by the Chief Digital Information Officer on the 25th July 2024.

What are the resource implications?

- 8 This order is for laptop devices and storage only, with delivery call-down on request. The devices will be configured internally at Leeds City Council and this work will require resources to be scheduled to complete this work.

- 9 Provision of effective kit is critical for colleagues because it impacts productivity and the level of service we provide to customers.

What are the key risks and how are they being managed?

- 10 There is a security risk to large orders of hardware being stored on LCC premises, this will be mitigated through Telefonica UK Limited storing the devices through their supply chain partner and LCC drawing down as per our requirements.
- 11 Any risks which are highlighted during the term of this contact will be managed and mitigated through regular account management/supplier review meetings.

What are the legal implications?

- 12 This is a Key Decision. There are no grounds for keeping the contents of this report confidential under the Access to Information Rules.
- 13 The YPO Framework expires on the 30th September 2024, due to the short timescale relating to the expiration of the contract, there is a need to follow the special urgency procedure relating to publicity in connection with Key Decisions. In line with Part 2 of The Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012, and Part 4(b) 2.3.4 and 2.6.1 the relevant Scrutiny Board Chair has provided confirmation that consideration of this matter is urgent and cannot reasonably be deferred. The use of the special urgency provisions on this occasion will in accordance with Executive and Decision-Making Rule 2.6.2 feature in the annual report to the Corporate Governance & Audit Committee.
- 14 The framework has been established by a third-party and the Council is entitled to procure goods and services from this framework by way of a direct award. The overarching framework terms and conditions, along with the call-off terms, have been reviewed and approved by the Procurement and Commercial Services Legal Team, in line with CPR 12.2. The Legal team is satisfied that the third-party framework was procured in a compliant way, and any subsequent call-offs in line with the requisite terms are a compliant route to procure an agreement.
- 15 In making their decision the Assistant Chief Executive (People, Digital and Change) should be satisfied that the use of the proposed procurement route to select the provider will represent value for money.

Options, timescales and measuring success

What other options were considered?

- 16 Option 1 - Do nothing but miss the opportunity to make savings of 530k on the mobile phone contract. Laptops continue to be purchased via an existing contracted supplier.
- 17 Option 2 – Call-off from an existing framework (Recommended).

How will success be measured?

- 18 Our oldest laptops on the device estate will be refreshed with the new laptops. These will then be compatible with Microsoft Windows 11 which in turn will avoid us paying unnecessary support costs for having old hardware on the estate.

What is the timetable and who will be responsible for implementation?

19 As soon as possible after the decision is taken. The Sales team will manage the deployment of the laptops onto the LCC estate.

Appendices

- EDCI

Background papers

- None