

Report for:
ACTION

Item Number:

Contains Confidential or Exempt Information	YES (Part) Confidential Appendix A - LBE Supplier Support Services Specification contains Exempt Information by virtue of Paragraph 3 of Schedule 12A to the Local Government Act 1972 -
Title	ICT Infrastructure Managed Services Contract
Responsible Officer(s)	Peter Greenham, Head of ICT Edward Axe, Director ICT, IDM, & Property Services (CIO)
Author(s)	Christy VanRooyen, Commercial Planning & Performance Manager
Portfolio(s)	Cllr. Bassam Mahfouz, Portfolio Holder for Finance and Leisure
For Consideration By	Cabinet
Date to be Considered	20 th April 2021
Implementation Date if Not Called In	4 th May 2021
Affected Wards	All
Keywords/Index	ICT, Infrastructure, Contract

Purpose of Report:

This report is to ensure continued ICT infrastructure support for the ICT Infrastructure Managed Services Contract following May 2022 when the current contract expires.

This report seeks approval from Cabinet to:

- authorise the Director of ICT, IDM & Property Services (CIO) to invite and evaluate tenders under a G-Cloud framework agreement for the ICT Infrastructure Managed Services Contract for a duration up to four years commencing June 2022.
- delegate authority to the Director of ICT, IDM & Property Services (CIO) to award the contract for the ICT Infrastructure Managed Services Contract.

1. Recommendations

It is recommended that Cabinet:

- 1.1. Authorises the Director of ICT, IDM & Property Services to carry out a procurement in accordance with rules of the framework for a call off contract from a Crown Commercial Services G-Cloud 12 framework for the ICT Infrastructure Managed Services Contract for a duration of 2 years plus two 1-year extensions commencing June 2022 at an estimated value of £7.000m . The contract will be awarded based upon an evaluation of suppliers that are returned from the digital marketplace search.
- 1.2. Delegates authority to the Director of ICT, IDM & Property Services award a contract for the provision of the ICT Infrastructure Managed Services Contract for a duration of 2 years plus two 1-year extensions in accordance with rules of the framework for both:
 - a) Managed service for up to £0.982m per annum to be funded from the existing ICT Contracts Register annual revenue budget and.
 - b) Project management, technical design and delivering technical projects (integrated with ICT infrastructure server and storage support) for up to £0.768m per annum from the ICT capital budget as and when required by service areas within the council for relevant projects who have the requisite budgets.
- 1.3. Full specification of the required works can be referenced in Confidential Appendix A.

2. Reason for Decision and Options Considered

- 2.1 The existing contract for the supply of ICT management services, ICT Server and Storage Support Contract, currently expires on 31st May 2022. The contract provides services to support, maintain, and deliver key ICT and business outcomes. These services range from maintaining and developing business applications, project management services and technical/non-technical support.
- 2.2 The principal business drivers for this contract include the need to:
 - Deliver better value for money from existing and new ICT investments.
 - Respond to evolving and growing demands of the business, especially under the current circumstances with the global pandemic (COVID- 19)
 - Maintain and enhance data security compliance standards.
 - Position, support, and drive infrastructure environments to support home, flexible and mobile working.

2.3 Following consultation with the Commercial Hub and considering the substantial revenue pressures caused by the global pandemic (COVID -19), there is a need to procure in a cost effective and expedient way. We are therefore seeking to call off from the Crown Commercial Services G-Cloud framework for a single supplier for all off the managed services. Procuring multiple suppliers would result in fragmentation of service with a reduction in quality due to the lack of end-to-end accountability. G-Cloud was identified as the most cost-efficient procurement route as this:

- negates the need for consultancy services to oversee and project manage the tender process and minimises the need for evaluation, procurement, and legal resources.
- option delivers the desired outcome in the shortest time as it provides an off-the-shelf solution without the need for: Invitation to Tender (ITT), Request for price (RFP), Request for quote (RFQ), request for information (RFI) or negotiation.
- Framework is legally compliant and regulated and ensures minimal contractual risk.
- Framework provides an off the shelf solution and transparency as the catalogue displays the supplier's service information and pricing. It is therefore easy to ensure delivery of a solution that is best fit, and the price provides value for money given that the framework was tendered.
- Framework is benchmarked to ensure continued value for money.

3. Key Implications

3.1 The contract award shall deliver value for money ICT Infrastructure managed service for the duration of the contract from an approved G-Cloud agreement, whose supplier can deliver a highly professional, flexible, and dynamic service. The new contractor will be managed effectively from mobilisation, and performance statistics will be reviewed monthly and monitored. This will ensure any concerns raised can be rectified promptly.

3.2 Some of the core determining factors governing procurement options is that the relationship with the supplier should provide the contractual necessities of agility and mobility that provide:

- Flexibility in service level delivery
- Agility to match future direction of strategic level
- Commercial attractiveness to the market
- High quality services
- Sustainability

- 3.3 The standard G-Cloud framework agreement has an initial contract term of 2 years plus two 1-year extensions due to the evolving nature of the ICT marketplace and solutions superseding one another. This ensures any contracts procured through this framework remain relevant to the required technical requirements as consumers have access to the latest technology and innovation with every refresh of the G-Cloud agreement.
- 3.4 Procuring through G-Cloud allows for new services to be added and existing services to be cancelled down, providing adherence to the suppliers notice period. This degree of flexibility allows for tighter spend controls without locking in fixed pricing for services that may not be required in the future. Services will be called off as and when required. Thus, the contract allows a degree of mitigation and future proofing in case of changes across the council.
- 3.5 The services to be included in the Managed Service are referenced in Appendix A – LBE Supplier Support Services Specification and includes, but not limited to, the following: Azure lifecycle services, Managed Virtualisation Servers, Managed Operating System Services, Managed Database Services, Managed Desktop Virtualisation, O365 Lifecycle and Collaboration Services, Managed Infrastructure Application Services , Managed Back up as a Service Support, Managed Unified Communication Support, Managed Dynamics CRM Support, Managed SharePoint Sites and Applications, Managed Certificates and lastly, Managed IP Schema & integrated IT operation services.
- 3.6 Where applicable, should the awarding supplier deliver technical design services, project management and project delivery that relate to a project that is chargeable to another part of the Council, the cost of the service shall be directly funded by the by the Service Area or recharged through a customer acceptance payment from ICT.
- 3.7 ICT follows strict project governance practice which dictates that no work shall be commissioned unless the relevant budget holder demonstrates that budget is available and appropriate approval to spend has been granted.

4. Financial

- 4.1 This Key Decision is to approve a call-off value of up to £1.750m per annum to be awarded through the Crown Commercial Services G-Cloud framework. Some of the services will be required on an ongoing basis (e.g., ICT Infrastructure Services), others will be called off on an 'as and when' required basis (e.g., project delivery)
- 4.2 The full value of the contract for the four-year duration will not exceed £7.000m and will be fully funded from existing budgets (relating to revenue & capital) and breaks down as follows:

	2022/23 £m	2023/24 £m	2024/25 £m	2025/26 £m	Total £m
Budget					
Revenue - ICT Contracts Register Budget	0.982	0.982	0.982	0.982	3.928
Capital - ICT budget (see note 1)	0.768	0.768	0.768	0.768	3.072
Estimated Total Budget	1.750	1.750	1.750	1.750	7.000

Note 1: The capital budget is sufficient to cover the annual call off contract and will be funded by either the ICT capital budgets detailed below or in combination with service capital budgets.

Approval to spend

- 4.3 The Managed Service cost of £0.982m per annum will be funded from the existing ICT Contracts Register revenue budget.
- 4.4 This Key Decision also provides the facility to use the services of the supplier for the delivery of technical design and project management, which shall only be used when required. This facility is essential given that the revenue resources that enable ICT to deliver this inhouse have reduced.
- 4.5 The projects that will require a call-off from this contract shall be funded in the main from capital budgets either held within Service Areas or ICT.
- 4.6 Services will need to provide capital budgets for such work. However, any solutions for ICT's own capital projects, best supported through this framework, will be funded from approved ICT capital up to the value of £0.768m.

5. Legal

The call off from a framework as described in this report will be tendered in compliance with the rules of the Crown Commercial Services G-Cloud 12 framework which complies with the Public Contract Regulations 2015.

A financial assessment of the winning supplier will be conducted prior to making the call off.

6. Value for Money

This report recommends an approach that will deliver the best possible value for money outcome for Ealing.

A Specialist IT provider will continue to supply crucial services within budget.

7. Sustainability Impact Appraisal

Not applicable.

8. Risk Management

High risk ICT services will be outsourced to a specialist provider who has an up-to-date and in-depth knowledge and speciality of ICT.

9. Community Safety

ICT underpins the operation of all Ealing departments, including all services related to community safety.

10. Links to the 6 Priorities for the Borough

Efficient delivery of ICT in a cost-effective way supports the delivery of all the council's priorities. ICT failure would affect the Council's ability to deliver the outcomes it has prioritised.

11. Equalities, Human Rights and Community Cohesion

The proposals in this report have been screened and believe there are no diversity implications.

12. Staffing/Workforce and Accommodation implications:

Not applicable.

13. Property and Assets

There are no property implications in this report.

14. Any other implications:

Not applicable.

15. Consultation

There is no requirement for external consultation at this stage

16. Timetable for Implementation

- April 2021 - Key Decision
- May 2021 - Procurement begins
- March 2022 - Contract Award
- June 2022 - New ICT Infrastructure Managed Support Contract begins

17. Appendices

Confidential Appendix A – LBE Supplier Support Services Specification

18. Background Information

April 2017 Cabinet Paper “Proposal for Future ICT Server and Storage support for 2018 Onwards”

March 2018 Cabinet Paper “ICT Server and Storage Support Contract”

Consultation

Name of consultee	Post held	Date sent to consultee	Date response received	Comments appear in paragraph:
Internal				
Edward Axe	Director ICT, IDM, & Property Services (CIO)	02/03/2021	09/03/21	Approved by JCB, no further comments.
Peter Greenham	Head of ICT	02/03/2021	09/03/21	Approved by JCB, no further comments.
Kevin Griffin	Chief Information Security Officer	02/03/2021	09/03/21	Approved by JCB, no further comments.
Christy Van Rooyen	Commercial Planning & Performance Manager	02/03/2021	09/03/21	Approved by JCB, no further comments.

Frazer Thomson	ICT Infrastructure Manager	02/03/2021	09/03/21	Approved by JCB, no further comments.
Shabana Kausar	Assistant Director – Strategic Finance	09/03/2021		
Tony Murphy	Finance Business Advisor	09/03/2021	16/03/2021	4. Financial – Table figures corrected.
Chuhr Nijjar	Senior Contracts Lawyer	09/03/2021	09/03/2021	1. Recommendations – Added G-Cloud framework name & existing contract name.
Darren Sullivan	Category Lead, Procurement	09/03/2021	16/03/2021	Approved by JCB, no further comments.
Simon Davis	Interim Assistant Director Commercial Hub	09/03/2021		
External				
Not applicable at this stage				