THREE RIVERS DISTRICT COUNCIL

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POLICY AND RESOURCES COMMITTEE

SUPPLEMENTAL AGENDA

Joanne Wagstaffe, Chief Executive
Friday, 28 February 2025

15. Officer ICT Device Replacement: Public Report (Pages 3 - 8)

This report seeks the Policy and Resources Committee's approval to the proposed officer ICT device replacement programme. This is the public report, with further details included in the exempt report.

General Enquiries: Please contact the Committee Team at committeeteam@threerivers.gov.uk

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POLICY AND RESOURCES COMMITTEE
(10 March 2025)

PART I /PART II

Tender Evaluation and Recommendation - Staff Replacement Laptop Programme (DoF)

Appendices A, B and C to this Report are exempt from publication as they contain commercially sensitive information relating to the tenderers.

1.0 **Summary**

1.1 The paper summarises the tender evaluation and proposes a recommendation to award the provision of the staff Replacement Laptop programme. The current staff laptops have been in service for over 5 years and they are coming to end of life.

1.2 The replacement programme is part of the shared service ICT provision on behalf of Three Rivers District Council and Watford Borough Council "the council". There are two requirements:

- The provision of a new laptop with associated software.
- The safe disposal of the existing laptops.

1.3 These requirements have been tendered as two separate lots using the YPO framework agreement 1161, Sustainable Hardware and Disposal, Lot 2 & Lot 3.

2.0 **Detailed proposal – Background**

2.1 The current officer desktop and laptop fleet for the council is over 5 years old (members' devices were replaced in 2023 and are out of scope for this project). Officer devices have served the council very well, enabling them to be used for an additional 1-2 years longer than originally anticipated and in doing this, the council has benefited financially from these assets being 'sweated' for that additional period.

2.2 The existing fleet of devices have begun to show some a drop in performance in terms of battery life, as well as damage to some hardware components, partly through general wear and tear.

2.3 The requirement is to replace the entire fleet for the council and to ensure that the council disposes of existing devices in a safe and efficient manner ensuring there is no legacy information left on any device (an effective military grade clean). The requirement for new devices is stated below:

Manufacturer	Device type	Part no	Quantity
Lenovo	13" 2-in-1	21LNS46A00	40
Lenovo	14" laptop	21L2S8BD00	130
Lenovo	16" laptop	21L4S71F00	300
Lenovo	Desktop	12TESACW00	30

The Council was able to specify Lenovo devices as it is using the YPO framework. Lenovo devices were selected to ensure compatibility with the docking stations already in operation at the council. The Council was willing to consider alternatives either through the offer of a better device specification or from an alternative manufacturer but the device must be able to dock with these existing docking stations. The council was able to market test with Lenovo product prior to operating the tender. These devices have been on test for 6 months to ensure full compatibility with the council's IT requirements.

2.4 The council was also seeking added value from the tender. This included;

- Provision of asset-tagging prior to delivery
- loading of council software to streamline the roll out
- Support and maintenance of the devices
- Three year warranty

The council had market tested that these services were available and significantly reduce the amount of resource required by the council to deliver the roll out programme.

2.5 The council budget for replacement was agreed at £450k for both councils. This was based on initial market engagement with Lenovo in the summer of 2024. Please note that all figures in this document relate to the combined project for both Three Rivers District Council and Watford Borough Council.

2.6 **Detailed proposal – Procedure**

A procurement strategy was initially agreed exploring the use of Framework agreements to deliver the requirements which would also include the opportunity for local suppliers. As the estimated value was close to £500k, the provision of these goods was above the UK Procurement threshold and to operate a public tender would take approximately 6 months. There are numerous framework options open to the council.

2.7 For the members' laptops, the council had used the Crown Commercial Services Framework. That contract was won by a local supplier operating out of the Industrial parks on Tolpits Lane (in TRDC). On review, the CCS framework had been re-tendered and only included large tier 1 contractors that would utilise supply chain to provide some of the added value service. The council thought that this was not appropriate and reviewed alternative frameworks.

2.8 The council opted to use the YPO framework agreement 1161, Sustainable Hardware and Disposal, Lot 2 & Lot 3. This contained several local suppliers and consisted of SME's as well as larger providers. One of the conditions of the framework was that the supply of devices and the disposal of devices had to be operated separately (the council could not combine the requirements).

2.9 The procurement process enabled the Council to ensure that there was valid competition through tendering and best value would be assessed through this process. The procurement process selected was conducted in accordance with UK Procurement Regulations and the Council's Contract Procedure Rules.

2.10 **The Tender Process**

The council issued an expression of interest to all 19 of the providers on the framework for Lots 2 and 3 to participate on 3rd January 2025. The council received expressions of interest from 9 of those providers. The Council issued tender documents on the 29th January 2025 with a return date of 17th February 2025.

The Council received two (2) submissions for the laptop replacement programme under Lot 2, and three (3) tender submissions for disposal under Lot 3.

The disposal of devices required two alternate submissions, the first to ensure the best commercial offer (the council would receive a credit) and the second would assess Social Value to assess if some of the laptops could be donated to community benefit.

2.11 The Evaluation model for Lot 2, the replacement of devices, consisted of 60% Price and 40% Quality. The tender response evaluation outcome is shown in exempt Appendix A of this Report.

The evaluation outcome for Lot 3, the disposal of devices, consisted of 75% Price and 25% Quality where social value was not a requirement and 60% Price and 40% Quality where social value criteria was a requirement.

2.12 The submissions were fully evaluated within ICT and the evaluation moderated by the Procurement Manager on 24th February 2025. The outcome of the tender process is detailed in this report and follows completion of all the stages of the evaluation.

Evaluation - Lot 2

2.13 The evaluation outcome relating to the tender submissions is detailed in exempt Appendix A.

2.14 There was a significant difference in the quality and pricing of the two tender submissions received. Tenderer 1 did not submit the quality element and scored a zero.

Tenderer 2 submitted the lowest price resulting in a saving of 10% on the original budgeted figure.

2.15 The recommendation is to award the contract for the provision of new staff laptops to Tenderer 2 under Lot 2 of the YPO framework based on Tenderer 2 being ranked first following the evaluation of the tender responses.

Evaluation - Lot 3 (excluding social value)

2.16 The evaluation outcome relating to the tender submissions is detailed in exempt Appendix B.

The recommendation is to award the contract for the disposal of laptops to Tenderer 2 under Lot 2 of the YPO framework based on Tenderer 2 being ranked first following the evaluation of the tender responses.

Evaluation - Lot 3 (including social value)

2.17 The Evaluation outcome relating to the tender submissions is detailed in exempt Appendix C.

The recommendation is to award the contract for the disposal of laptops to Tenderer 3 under Lot 2 of the YPO framework based on Tenderer 3 being ranked first following the evaluation of the tender responses.

3 Recommendations

3.1 The recommendation is to award a contract for:

3.1.1 the provision of new laptops under Lot 2 of the Framework to Storm Technologies to the value of £405k for a rolling replacement programme and service support for 3 years;

3.1.2 the disposal of existing laptops under Lot 3 of the Framework:

- on the basis of Excluding Social Value (i.e. cash return on all devices) to Restore to the value of £19,750

OR

- on the basis of Including Social Value (i.e. all devices) Including Social Value to Storm Technologies to the value of £16,200

4 Policy/Budget Reference and Implications

4.1 The recommendations in this report are within the Council's agreed policy and budgets.

5 Financial Implications

5.1 The financial implications are contained within the body of the report.

6 Legal Implications

7 The procurement process was conducted using a compliantly procured Crown Commercial Services Framework and following the terms and conditions set by the Framework. The Public Contracts Regulations 2015 and the Council's contract procedure rules have been complied with.

8 Equal Opportunities Implications

8.1 Having had regard to the council's obligations under s149, it is considered that there are no impacts.

Having had regard to the council's obligations under the General Data Protection Regulation (GDPR) 2018, it is considered that officers are not required to undertake a Data Processing Impact Assessment (DPIA) for this report.

9 Staffing Implications

None

10 Environmental Implications

10.1 The tender has set out Environmental and Sustainability measures for prospective suppliers to respond to. Additionally, as climate & sustainability Impact Assessment has been completed

11 Risk and Health & Safety Implications

11.1 The Council has agreed its risk management strategy which can be found on the website at http://www.threerivers.gov.uk. In addition, the risks of the proposals in the report have also been assessed against the Council's duties under Health and Safety legislation relating to employees, visitors and persons affected by our operations. The risk management implications of this report are detailed below.

11.2 The subject of this report is covered by the ICT Shared Service plan. Any risks resulting from this report will be included in the risk register and, if necessary, managed within this plan.

Nature of risk	**Consequence**	**Suggested Control Measures**	**Response** (treat, tolerate, terminate or transfer)	**Risk Rating** (combination of severity and likelihood)
Wear and tear	Device failure – failing batteries, stress on components etc.	Tender to replace devices	Treat	1
Obsolescence	Prone to become unable to run latest (secure) versions of firmware / software. Parts will become more difficult to source.	Tender to replace devices	Treat	1
Windows 10 goes end of life in October 2025	Non-compliance and subsequent security threat.	Replacement devices will come with Windows 11	Treat	1

10.3 The above risks are scored using the matrix below. The Council has determined its aversion to risk and is prepared to tolerate risks where the combination of impact and likelihood scores 6 or less.

Likelihood --▼ Very Likely ---------- Remote				
	Low 4	**High 8**	**Very High 12**	**Very High 16**
	Low 3	**Medium 6**	**High 9**	**Very High 12**
	Low 2	**Low 4**	**Medium 6**	**High 8**

	Low **1**	**Low** **2**	**Low** **3**	**Low** **4**
	Impact **Low ----------► Unacceptable**			

Impact Score	**Likelihood Score**
4 (Catastrophic)	4 (Very Likely (≥80%))
3 (Critical)	3 (Likely (21-79%))
2 (Significant)	2 (Unlikely (6-20%))
1 (Marginal)	1 (Remote (≤5%))

11.3 In the officers' opinion none of the new risks above, were they to come about, would seriously prejudice the achievement of the Strategic Plan and are therefore operational risks. The effectiveness of the management of operational risks is reviewed by the Audit Committee annually.

The remainder are therefore operational risks. Progress against the treatment plans for strategic risks is reported to the Policy and Resources Committee quarterly. The effectiveness of all treatment plans are reviewed by the Audit Committee annually.

12 Recommendation

12.1 For the Policy and Resources Committee to adopt the recommendations to award the contract as set out in paragraph 3 of the report.

APPENDICES / ATTACHMENTS

Please note that the following appendices are exempt:

Climate & Sustainability Impact Assessment

Appendix A - Moderated Lot 2 Evaluation Sheet

Appendix B - Moderated Lot 3 (excl social value) Evaluation Sheet

Appendix C - Moderated Lot 3 (inc social value) Evaluation Sheet