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17 April 2007

To: All Members of the Procurement Committee
c.c. All Other Persons Receiving Procurement Committee Agenda

Dear Councillor,

Executive Procurement Committee - Tuesday, 17th April, 2007

The following papers were tabled at the meeting:

7. PROVISION OF ICT GOOD AND SERVICES FOR THE 6TH FORM CENTRE UNDER THE BUILDING SCHOOLS FOR THE FUTURE (BSF) PROGRAMME (PAGES 1 - 8)

(Report of the Interim Director of Corporate Services) To provide details regarding the procurement of an ICT (Information and Communications Technology) Technical Solution and a Managed Service Provider (MSP) for the Haringey Sixth Form Centre.

15. PROVISION OF ICT GOODS AND SERVICES FOR THE SIXTH FORM CENTRE UNDER THE BUILDING SCHOOLS FOR THE FUTURE (BSF) PROGRAMME (PAGES 9 - 10)

(Report of the Interim Director of Corporate Services) To provide details regarding the procurement of an ICT (Information and Communications Technology) Technical Solution and a Managed Service Provider (MSP) for the Haringey Sixth Form Centre.

Yours sincerely

Richard Burbidge
Member Services

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Agenda item: **[No.]**

Part B of this report is **not for publication** for the reasons stated in paragraph 6.2.

Procurement Committee

On 17 April 2007

Report Title: Part A: Provision of ICT Goods and Services for the Sixth Form Centre under the Building Schools for the Future (BSF) Programme
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Forward Plan reference number (if applicable): N/A

Report of: Director of The Children and Young People's Service

Ward(s) affected: N/A

Report for: Non-Key Decision

1. Purpose

- 1.1. To seek Member agreement to delegate authority for the award of contract for the provision of an ICT solution and a fixed term managed service for the Haringey Sixth Form Centre to the Director of The Children and Young People's Service in consultation with the Executive Member for Children and Young People, the Chair of the Executive Procurement Committee and the Leader of the Council.

2. Introduction by Executive Member

- 2.1 This report is to request delegated authority from Committee to award the contract for the provision of an ICT and fixed term managed service solution for the Haringey Sixth Form Centre to the Director of The Children and Young People's Service in consultation with the Executive Member for Children and Young People, the Chair of the Executive Procurement Committee and the Leader of the Council. I concur with the recommendations set out in this report. I am meeting with officers this week to ensure the proposals in this report are taken forward rapidly.

3. Recommendations

- 3.1 That Members agree to delegate authority for the award of contract for the above project, in accordance with the recommendations in paragraph 14 of this report.

Report Authorised by:



Sharon Shoemith
Director
The Children and Young People's Service

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4. Executive Summary

- 4.1 The Haringey Sixth Form Centre (6FC) is a new build opening in September 2007 under schools regulations and will be the only centre in the borough dedicated to sixth form studies (post-16). The first year will support approximately 630 students, 40 academic staff and 20 administration staff. In the second year the 6FC is planned to scale up to approximately 1000 students, 60 academic staff and 35 administrative staff. These numbers will increase to 1200 students, 64 academic & 40 administrative staff by the third year.
- 4.2 To enable the Council to achieve the educational outcomes for the 6FC it is proposed to let a contract for the provision of an ICT (Information and Communications Technology) solution. In addition, because the procurement of an ICT Managed Service Provider (MSP) for secondary schools under the BSF Programme will not be completed by the opening of the 6FC in September 2007, an interim MSP is required for the 6FC who will be responsible for the support and management of the ICT solution until this responsibility is transferred over to ICT MSP.

5. Reasons for any change in policy or for new policy development (if applicable)

5.1 N/A

6. Local Government (Access to Information) Act 1985

6.1 The following documents were used in the preparation of this report:

- Becta (British Educational Communications And Technology Agency) website

6.2 This report contains exempt and non-exempt information. Exempt information is contained in Part B and is **not for publication**. The exempt information is under the following category (identified in the amended Schedule 12A of the Local Government Act 1972):

Information relating to the financial or business affairs of any particular person (including the authority holding that information) (Ground 3).

7. Background

- 7.1 The 6FC is a newly built campus that will be the only centre in Haringey dedicated to sixth form studies. It will provide students with state of the art facilities; including ICT facilities such as wireless ICT and video streaming to support bringing the learning environment for Haringey's young people aged 16-19 into the 21st century.
- 7.2 The 6FC will open in September 2007 under school regulations and has a maximum capacity of 1,200 students with the intake to be mainly from secondary schools the east of the borough. The 6FC has already established a strong partnership with the schools in the east of the borough, the College of North East London (CoNEL), The Learning and Skills Council London North (LSCLN) and Haringey Council.
- 7.3 To enable the Council to achieve the educational outcomes for the 6FC a robust ICT solution is required. This ICT solution is required to meet the pedagogical and functional needs of the 6FC and covers all ICT areas including core infrastructure components, computers, printers, peripherals, software, cashless catering and associated ICT services (e.g. streaming video). The equipment is required to be procured, piloted, staged, implemented, integrated, tested and deployed prior to the opening of the 6FC in September.
- 7.4 The funding for the 6FC was originally allocated prior to – and outside of – the wider Haringey BSF programme, but has since been encompassed within the BSF programme. The procurement of an ICT MSP for secondary schools under the BSF programme is currently in progress but will not be completed in time for the opening of the 6FC in September 2007.
- 7.5 Therefore, in addition to the procurement of the ICT solution described above, an interim MSP is required for the 6FC who will be responsible for the support and management of the ICT solution for a period of up to 2 years (to include a provision to extend the contract term beyond 2 years) until the responsibility is transferred over to the ICT MSP.

8. Budget

- 8.1 Funding for the project will be from the 6FC ICT budget which has been set at £1,350,000. This has been detailed further in Part B of this report.

9. Description of Procurement Process

- 9.1 It is intended to let a contract to a single supplier to provide an ICT solution for the 6FC consisting of the supply, installation and testing of all the required IT equipment, software and networks and provide maintenance and associated support services as an interim MSP for the duration of the contract.
- 9.2 It was originally anticipated that the procurement process would be completed and a preferred supplier selected in time to seek Member approval for the award of contract at the Procurement Committee meeting on 17 April 2007. However, the procurement has been extended to allow for clarification of bidders' Proposals and it is now anticipated that a preferred supplier will be selected by the end of April 2007.
- 9.3 The procurement is being conducted as a 'mini-competition' using the Becta Infrastructure Services framework agreement which is in full compliance with EU public procurement regulations. Becta (British Educational Communications and Technology Agency) is a central government agency for ICT in Education and the terms of the Agency permits local authorities to access the Framework.
- 9.4 The advantages for public sector organisations (including local authorities) using the Becta framework agreements are:
- the purchase of high quality, appropriate and affordable ICT services from educational suppliers who understand the needs of schools in accordance with the standards set by Becta
 - the development of reliable and coherent ICT in line with national strategies
 - a simplified purchasing route that ensures compliance with EU procurement law
 - facilitated supplier monitoring and management through Becta
- 9.5 A Statement of Requirements (SOR) document including the Functional and Technical Specifications for the 6FC was issued to all suppliers listed on the Becta framework agreement on 06 March 2007. Two bidders, referred to in Part B of this report, submitted Proposals by the deadline for return on 30 March 2007
- 9.6 The proposals are currently being evaluated by Council representative(s) from the 6FC, The Children and Young People's Service and Cambridge Education Ltd (an education ICT consultancy).
- 9.7 Bidders were subsequently invited to attend a ½ day presentation/interview on 11 April 2007. This meeting also provided an opportunity for both the bidders and Council representatives to obtain further clarification on the 6FC requirements and Proposals respectively.
- 9.8 Subsequent to this meeting and following receipt of bidders' clarifications, the evaluators will independently review and update (where appropriate) their scoring. Following a consensus meeting with the evaluators a preferred supplier

will be selected on the basis of MEAT (most economically advantageous tender) criteria. The process will be conducted in accordance with the terms of the Becta Framework.

10. Consultation

10.1 Consultation has taken place throughout the procurement process with key stakeholders including representatives from the 6FC, The Children and Young People's Services, the BSF Programme and IT Services.

11. Key Benefits and Risks

11.1 The 6FC will benefit from:

- **Economies of scale** – achieved by one supplier providing the ICT solution (i.e. increased leverage with third party suppliers) and providing the managed service (i.e. shared resources such as a service desk can be used to support a number of clients).
- **Risk Mitigation** – selecting one supplier to provide the ICT solution and providing the managed services lowers the risk associated with an unrelated supplier supporting an already installed ICT infrastructure.

11.2 Risks for this project relate to the capacity of the preferred supplier to deliver the ICT solution. The 6FC is adopting a future-proof but technically savvy solution that requires the supplier to implement, integrate and test a large technical architecture. This risk will be managed, according to Prince 2 project management methodology (gateway reviews and signoff, risk and issue registers, project governance etc.) to ensure the ICT solution is delivered on time and to budget.

12. Contract and Performance Management

12.1 A Service Delivery Manager role is currently being recruited as part of the wider Haringey BSF programme. This role, which includes the 6FC, will commence before the ICT solution is implemented in order for the individual to work with the preferred supplier and representatives of the 6FC to ensure a robust level of contract and performance management throughout the contract term.

12.2 Operationally, contract and performance management will be by means of monthly performance and availability reporting by the preferred supplier and by monthly service reviews held by the 6FC to review the preferred supplier's performance against agreed service levels and Key Performance Indicators (KPIs).

13. Summary and Conclusions

13.1 To enable the Council to achieve the educational outcomes for the 6FC an ICT solution is required to be in place when the 6FC opens in September 2007.

13.2 In addition, because the procurement of an ICT Managed Service Provider (MSP) for secondary schools under the BSF Programme will not be completed by the opening of the 6FC in September 2007, an interim MSP is required for the 6FC who will be responsible for the support and management of the ICT solution for a fixed term period until this responsibility is transferred over to ICT MSP.

13.3 It is intended to let a contract to a single supplier to provide an ICT solution for the 6FC consisting of the supply, installation and testing of all the required IT equipment, software and networks and provide maintenance and associated support services as an interim MSP for the duration of the contract.

14. Recommendations

14.1 That Members agree to delegate the award of the contract, for the provision of an ICT solution and managed service to the Director of the Children and Young People's Services in consultation with the Executive Member for Children and Young People, the Chair of the Executive Procurement Committee and the Leader of the Council.

14.2 That Members agree to delegate authority for the award of contract for a period of up to 2 years, with an option to extend for a further period of up to 3 years until the responsibility for the provision of the managed service is transferred over to the ICT MSP.

15. Equalities Implications

15.1 There are no known Equalities implications.

16. Health and Safety Implications

16.1 There are no known Health and Safety Implications.

17. Sustainability Implications

17.1 Sustainability has been taken into account in the project in both the design of the ICT solution and in the selection of the preferred supplier to provide the solution.

17.2 The design of the ICT solution is itself sustainable. Thin client has been selected as the ICT of choice within the 6FC – a solution that, per-device, consumes 90% less power than typical (fat client) computers (10 vs. 100 watts per device). As a consequence thin clients also produce less heat within the classroom, requiring less active cooling within the ICT intensive areas of the 6FC. Thin clients are also easier, cheaper and more environmentally friendly to dispose of, as they are much smaller and have fewer parts that require specialist disposal.

17.3 Part of the evaluation of suppliers for inclusion in the Becta framework agreements included an examination of the sustainability capabilities of these organisations. As such, both bidders will be compliant with the EU Directive on Waste Electrical and Electronic Equipment (WEEE) that aims to minimise the impact of electrical and electronic goods on the environment by increasing re-use and recycling of redundant equipment.

18. Financial Implications

18.1 The capital costs as outlined of £1.35m will be funded by a combination of government grant and supported borrowing. This is also a contribution from Section 106 funding. There are revenue implications which are outlined in part B of this report.

19. Comments of the Acting Director of Finance

- 19.1 The Acting Director of Finance has been consulted on the preparation of this report and comments made have been reflected in both parts A and B.
- 19.2 The £1.35 million *does not* cover capital or revenue required from year 2 onwards, the details of which are also set out in Part B. The funding to pay for these costs has not, as yet, been fully identified and this represents a risk going forward. The shortfall will have to be met from the on-going revenue budget for the new VI Form Centre which will be funded primarily by the LSC with a smaller contribution from the Dedicated Schools Grant (DSG).
- 19.3 The Acting Director of Finance supports the recommendation of this report on the clear understanding that any future funding shortfalls, both revenue and capital, is met from the delegated funding of the Sixth Form Centre and not from the Council's budget.

20. Comments of the Head of Legal Services

- 20.1 The estimated value of the Contract is above the EU threshold for tendering under the EU Public Contracts Regulations 2006, the threshold for services is £144,371.
- 20.2 The EU regulations permit the use of Framework arrangements in selecting contractors. Children Services have confirmed that the Becta infrastructure services Framework agreement, permit local authorities to access their Framework in order to select contractors. (Para 9.3).
- 20.3 Children Services have advised that the evaluation is in accordance with the terms of the Becta Framework, however this evaluation has not yet completed, therefore they cannot request that the committee make an award to an individual contractor.
- 20.4 The request to this committee is therefore on completion of the tender process in accordance with the Becta framework , that the award of the contract to the successful contractor be delegated to the Director of Children and Young Persons services in consultation with those members stated in para 14 of this report. The request is in effect a waiver of Contract Standing Order 11.03. where the power to make the award is given to the Committee.
- 20.5 The Committee under the council constitution has power to delegate its powers to an officer; the power is derived from section 15 of the Local Government Act. The power to delegate includes the power to award the contract for the value stated in Part B of the report.
- 20.6 The Head of Legal Services confirms that there is no legal reason preventing members from delegating its power of award to the persons named in Para 14.

21. Comments of the Head of Procurement

21.1 Use of the BECTA ICT Framework Agreement from which to run a “mini competition” between pre-approved suppliers is a valid and fully acceptable means of procuring the Managed Service Provider.

22. Use of Appendices / Tables / Photographs

22.1 None

Document is exempt

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