

# NOTICE OF MEETING

## CABINET MEMBER SIGNING

**Thursday, 19th December, 2024, 12.00 pm - Alexandra House 10  
Station Road, N22 7TR (watch the live meeting [here](#))**

**Members:** Councillors Dana Carlin

**Quorum:** 3

### **1. FILMING AT MEETINGS**

Please note that this meeting may be filmed or recorded by the Council for live or subsequent broadcast via the Council's internet site or by anyone attending the meeting using any communication method. Although we ask members of the public recording, filming or reporting on the meeting not to include the public seating areas, members of the public attending the meeting should be aware that we cannot guarantee that they will not be filmed or recorded by others attending the meeting. Members of the public participating in the meeting (e.g. making deputations, asking questions, making oral protests) should be aware that they are likely to be filmed, recorded or reported on. By entering the meeting room and using the public seating area, you are consenting to being filmed and to the possible use of those images and sound recordings.

The Chair of the meeting has the discretion to terminate or suspend filming or recording, if in his or her opinion continuation of the filming, recording or reporting would disrupt or prejudice the proceedings, infringe the rights of any individual or may lead to the breach of a legal obligation by the Council.

### **2. APOLOGIES FOR ABSENCE**

To receive any apologies for absence.

### **3. URGENT BUSINESS**

The Chair will consider the admission of any late items of Urgent Business. (Late items of Urgent Business will be considered under the agenda item where they appear).

### **4. DECLARATIONS OF INTEREST**

A member with a disclosable pecuniary interest or a prejudicial interest in a matter who attends a meeting of the authority at which the matter is considered:

- (i) must disclose the interest at the start of the meeting or when the interest becomes apparent, and
- (ii) may not participate in any discussion or vote on the matter and must withdraw from the meeting room.

A member who discloses at a meeting a disclosable pecuniary interest which is not registered in the Register of Members' Interests or the subject of a pending notification must notify the Monitoring Officer of the interest within 28 days of the disclosure.

Disclosable pecuniary interests, personal interests and prejudicial interests are defined at Paragraphs 5-7 and Appendix A of the Members' Code of Conduct

**5. DEPUTATIONS / PETITIONS / QUESTIONS**

**6. EXTENSION OF EA21 CALL-OFF CONTRACT - SUPPLY OF LAPTOPS AND ACCESSORIES (PAGES 1 - 8)**

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Wednesday, 11 December 2024

Report for **Cabinet Member for Finance and Corporate Services**

**Item number:** 6

**Title:** **Extension of EA21 Call-off Contract - Supply of Laptops and Accessories**

**Report authorised by:** **Director for Culture, Strategy and Engagement, Jess Crow**

**Lead Officers:** **Nathan Pierce, Chief Digital & Innovation Officer**

**Ward(s) affected:** n/a

### **1. Describe the issue under consideration**

**1.1** This report is seeking to extend the current EA21 call-off contract with XMA Ltd for the supply of laptops and accessories by 12 months, and a key decision to approve spend up to £1,550,000.00 over the extended term.

### **2. Cabinet Member Introduction**

As this report is to the Cabinet Member, no Cabinet Member introduction is required.

### **3. Recommendations**

**3.1** It is recommended that the Cabinet Member for Finance and Local Investment, pursuant to Contract Standing Order (CSO) 10.02.1b) and CSO 16.02:

**3.1.1** approves the final extension to the EA21 call-off contract, with XMA Ltd, for the period of 12 months, from 10<sup>th</sup> December 2024 to 9<sup>th</sup> December 2025.

**3.1.2** approves a maximum call-off spend value of up to £1,550,000.00 over the 12-month extended term.

**3.1.3** delegates the decision to award the individual call-off contracts, under the agreed maximum spend, to the Director for Culture, Strategy and Engagement.

#### 4. Reasons for decision

**4.1** The Council need a compliant procurement route for the supply of Lenovo laptops and accessories, to meet anticipated requirements over the next 12 months, at a value of up to £1,550,000.00.

**4.2** The EA21 agreement is an aggregated further competition run by CCS on behalf of approximately 30 local authorities. XMA Ltd were the successful supplier from RM6068, lot 2, Hardware & Associated Services, submitting the lowest fixed costs over the lifetime of the agreement for a range of Lenovo laptops and accessories. EA21 is a compliant, cost effective, procurement route for the Council.

**4.3** The recommended value up to £1,550,000.00 will cover projected demand across several areas (see 6.9 and 6.10). The core requirement is in support of Services requesting new equipment and includes the provision of laptops and accessories for new staff, Service growth, in-sourcing, replacing damaged and unreturned equipment. The award also supports laptop replacements for the Windows 10 project and failing, outside-of-warranty devices.

Requirement	Projected Laptop Orders Over 12-months	Estimated Costs
Services (new staff, growth, in-sourcing and replacements)	840	£ 924,000.00
Outside-of-warranty	180	£ 198,000.00
Windows 10 replacements	277	£ 304,700.00
Accessories		£ 120,000.00

**4.4** The award is key to enabling Services to operate effectively, by supporting a robust laptop strategy for the Council which aligns to service demand and supports the replacement of outdated equipment. The solution incorporates increased stock levels to ensure equipment is always available to staff, and extended warranty cover to maximise the life of each laptop

**4.5** Recent benchmarking conducted by the Council (see 6.6) demonstrates EA21, lot 2, framework pricing (through XMA Ltd) continues to deliver device savings compared to market value and is considered the most cost-effective

and flexible method of purchasing a range laptops that meet the Council's specification.

**4.6** By extending the EA21 call-off contract there is no minimum order or spend commitment and the Council is free to explore other procurement routes. The framework offers fixed pricing on a range of laptops and accessories and will be used as a draw-down contract for the supply of digital hardware.

## 5. Alternative options considered:

**5.1 Do not purchase** – Without a supply of laptops, staff requiring new devices would not be able to access the Council's digital infrastructure, which will negatively impact service delivery and operational support within the Council.

**5.2 Procure through other frameworks** – The EA21 agreement is considered the most favourable way of securing digital hardware, as pricing under the contract is set against aggregated volumes over the lifetime of the agreement. Alternative routes to market are not judged to achieve the same cost savings.

**5.3 To run own tender** – Market engagement demonstrates that the EA21 agreement offers best value for the Council with the added flexibility of not having a minimum order or spend commitment.

## 6. Background information

**6.1** In December 2021, a call-off contract was awarded to XMA Ltd, for the supply of laptops and accessories, called off from CCS framework RM6068, known as EA21. The initial contract term was for two years, from 10<sup>th</sup> December 2021 to 9<sup>th</sup> December 2023, at a value of up to £500,000.00, and included two options to extend, each for 12 months (2+1+1).

**6.2** A decision was brought to the Cabinet Member for Finance and Local Investment in December 2023, to approve the first extension of the EA21 call-off contract with XMA Ltd, from 10<sup>th</sup> December 2023 to 9<sup>th</sup> December 2024, and a key decision to agree spend up to a total value of £1,048,040.00, over the 3-year term (2+1).

**6.3** In 2024, demand for new laptops and accessories was higher than the predicted forecast and further hardware procurements were completed with an associated value of £260,128.64. The total combined spend under EA21 increased to £1,308,168.64.

**6.4** The recommended extension to the EA21 call-off contract is the final extension permitted under the contract terms and will run from 10<sup>th</sup> December 2024 to 9<sup>th</sup> December 2025, with a value of up to £1,550,000.00 over the 12 months.

**6.5** The Council completed a market engagement exercise inviting suppliers to submit costs for a high volume, single order of laptops with extended warranty and damage cover. Submissions demonstrate that EA21 pricing offers the lowest fixed unit costs and incorporates the flexibility of ordering over the contract term to meet demand, which is preferable to a bulk purchase where laptops are held in storage with depleting warranty.

Supplier	Laptop Model	Qty	Unit Cost	Total Cost
XMA Ltd - EA21, lot 2	Lenovo ThinkPad T14S	1	£ 1,102.24	£ 1,102,240.00
Supplier A	Lenovo ThinkPad T14S	1000	£ 1,154.00	£ 1,154,000.00
Supplier B	Lenovo ThinkPad T14S	1000	£ 1,147.98	£ 1,147,980.00

**6.6** The Council has held discussions with other public sector bodies and suppliers to gain market insight into the laptops being ordered and used commercially. Discussions substantiated the Council's current approach, but also identified Lenovo laptops available to call-off from EA21, lot 2, which are used in a commercial setting. Testing of alternative laptops is being completed and, if suitable models are identified, this could help to reduce spend under the contract.

**6.7** All laptops called-off from the EA21 agreement will include extended warranty terms of 4 years, accidental damage cover and Windows 11.

**6.8** Included within this award is the requirement to replace 277 Windows 10 laptops with new Windows 11 devices. Microsoft support for Windows 10 will end on 14<sup>th</sup> October 2025 and devices need to be replaced over the next 9 months.

**6.9** The award includes contingency to replace up to 180 older laptops. By the end of 2025, 883 laptops will be over 6 years old & 1054 over 5 years old, and it is anticipated that the number of laptops developing faults outside the standard warranty terms will increase.

**6.10** Monthly reporting will form part of the laptop strategy and data will be shared with directors, department heads and Cabinet Member for Finance and Local Investment, providing analytics on the number of new, reallocated and unreturned laptops for each Service and the associated costs. Providing detailed data will enable Services to better manage assets, aid return rates and help to reduce costs.

**6.11** Aggregated spend thresholds will be agreed where approval must be gained from the Director for Culture, Strategy and Engagement, in collaboration with Cabinet Member for Finance and Local Investment, before spend is permitted above each limit.

**6.12** Funding for all laptops will derive from existing Digital Services capital scheme 657. Digital will charge Services for any unreturned laptops. Funding for accessories will initially derive from Digital Services revenue and then charged to Services requiring the equipment.

**6.13** The EA21 contract is between the Council and XMA Ltd, under CCS framework RM6068 terms and conditions.

## **7. Contribution to the Corporate Delivery Plan 2022-2024 High Level Strategic outcomes**

Laptops are an essential tool in enabling successful operations within the Council, and are vital in contributing to the fulfilment across all areas of the Corporate Delivery Plan and help to achieve positive outcomes for Haringey residents.

## **8. Carbon and Climate Change**

The Lenovo laptops procured through the EA21 contract are made from recycled post-consumer content (PCC) and natural materials in various components such as the speaker enclosure, battery compartment and adapter. Laptops also come with recycled and/or sustainably forested packaging and recycled PCC cardboard cushioning.

Lenovo have created a CO2 Offset Service which supports different initiatives including new (or extensions of existing) projects relating to windmills, solar cells and biomass energy, amongst others.

The Council will investigate if an auto-shut down feature can be incorporated into the laptop build so that, if a laptop is idle for a set period, it will shut down. This will save on power consumption and result in energy efficiencies.

The Council has a contract with a third party which recycles all laptops that are beyond economical repair. The third party's recycling facility is fully accredited by the Environment Agency and has been awarded a Distinction from ADISA as well as industry-leading certifications from Cyber Essentials, ISO 27001 and DIPCOG.

**9. Statutory Officers comments (Chief Finance Officer (including procurement), Head of Legal and Governance, Equalities)**

**Finance Comments:**

The cost of this final 12-month extension to the current EA21 call-off contract with XMA Ltd for the supply of Lenovo laptops and accessories is up to a maximum value of £1,550,000. The laptops element (£1,430,000) is being funded from the existing Digital Services Corporate Laptop Refresh capital budget (Scheme 657). The cost of accessories (£120,000) will initially be funded by Digital Services revenue budget and then recharged to Services. requiring the equipment.

The market engagement exercise demonstrated that EA21 pricing offers the best value for money and the contract will ensure equipment is always available to staff. Nevertheless, the levels of demand for new laptops arising from unreturned devices requires management focus and the measures outlined in 6.10 and 6.11 above are necessary to ensure laptop purchases are kept to a minimum.

**Strategic Procurement Comments:**

Strategic Procurement have been consulted in the preparation of this report. CSO 10.02.1b) permits the Cabinet to vary and extend a contract subject to the provisions of Reg.72 of the Public Contract Regulation 2015. The extension of this contract is compliant with Regulation 72(1)(a) where the modification was provided for in the initial procurement documents and decision and that the compliance with (i) and (ii) of the section of the regulation have been met as the nature of the modification was stated and does not alter the overall nature of the contract.

CSO 16.2 Provides that the Lead Member may allocate decisions whether urgent or not to the Cabinet Member having the relevant portfolio responsibilities.

Strategic Procurement support the recommendations in section 3 of this report.

**Comments of the Head of Legal and Governance:**

(Michael Papadakis – senior lawyer)

The proposed extension utilises the contracted right of LBH to extent the term of its contract with XMA Ltd for one more and final year. We agree with the comments/legal analysis of Strategic Procurement which are correct in law. The Head of Legal and Governance sees no reason which would have prevented the LBH Director from approving the proposal.

**Equality Comments:**

The Council has a Public Sector Equality Duty under the Equality Act (2010) to have due regard to the need to:

- Eliminate discrimination, harassment and victimisation and any other conduct prohibited under the Act
- Advance equality of opportunity between people who share protected characteristics and people who do not
- Foster good relations between people who share those characteristics and people who do not.

The three parts of the duty apply to the following protected characteristics: age, disability, gender reassignment, pregnancy/maternity, race, religion/faith, sex and sexual orientation. Marriage and civil partnership status applies to the first part of the duty.

Although it is not enforced in legislation as a protected characteristic, Haringey Council treats socioeconomic status as a local protected characteristic.

The proposals within this report take account of these needs and the associated statutory duties and good practice guidelines.

The laptops procured under this call-off award support reasonable adjustment applications and hardware used within the Council.

There are no foreseen negative impacts associated with this award.

**10. Use of Appendices**

n/a

**11. Local Government (Access to Information) Act 1985**

n/a

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