



LONDON FIRE BRIGADE

Report title

ICT hardware maintenance and support (Break/Fix) Service – Tender acceptance

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Summary

This report seeks approval to accept a tender for the provision of ICT hardware maintenance and support ('break fix') and associated services.

The current contract is due to expire on 31 July 2019 and this report sets out the results of a re-tendering process and recommends that a new four year contract be put in place, which will provide total (anticipated) savings up to £430K (as detailed further below).

Recommended Decision

That the London Fire Commissioner award a four year contract for the supply of ICT hardware maintenance and support (Break/Fix) service [to Specialist Computer Centres (SCC) at a cost not exceeding £1.2m]¹

¹ To be redacted prior to publication

Background

1. The Brigade provides first and second level support to all of its ICT users via an in-house ICT Service Desk staffed between the hours of 08.30 – 17.30 Monday to Friday, excluding Bank Holidays. Outside of these hours first level support is provided by the ICT Operational Support Team (known as "The Bridge").
2. First level support will be provided by the Brigade's ICT Service Desk who will log all incidents onto the Service Management System (SMS) employed by the Brigade for this purpose. Having identified the fault the Brigade's ICT Service Desk will pass incidents to the appropriate resolving agent for a fix to be undertaken or a replacement to be provided (using product warranty where available) within the prescribed service level. Where equipment has been identified as being redundant or beyond economic repair, environmental disposal in full compliance with the relevant legislative and Brigade specific requirements is undertaken and asset details and disposal certificates provided, as necessary.

Scope of the replacement contract

3. The Brigade currently has a contract for desktop, server and network hardware support and maintenance (break/fix) which it is seeking to re-procure. The main elements of the service required can be summarised as follows:
 - **Hardware maintenance for desktop equipment** at all Brigade locations, the predominance of which are zero client (10ZiG) devices.
 - **Hardware maintenance for mobile equipment** (like laptops and Tablets), although these devices are predominantly under warranty or on extended support from the manufacturer. This 'mobile equipment' does not include mobile phones, which are covered under different arrangements.
 - **Hardware maintenance for servers** and peripheral devices including the tape libraries and fabric switches associated with those servers.
 - **Hardware maintenance for network equipment**, including hubs, switches, routers, cards and power supplies.
 - **Installations, moves and upgrades** including the installation of additional devices, the removal and re-siting of equipment in connection with office relocations and the upgrade of existing equipment to meet changing requirements. Installations may include the building of devices using standard builds provided by the Brigade and the racking and decommissioning of servers as required. Connection to relevant network device(s) is also required.
 - **Maintenance of printers:** The Brigade has plans to move to a leased multi-function device (MFD) model for printing at all locations. However, the existing estate of printing equipment contains a large number of aging LaserJet printers and these will need to be maintained as an interim arrangement under the new contract.

Collaboration

4. Other Fire and Rescue Services (FRS) were made aware of the procurement via the NFCC ICT Managers forum. In addition, the procurement was raised at a regular collaboration meeting between GLA bodies.
5. No other FRS or members of the GLA expressed an interest in participating in this procurement.

Procurement action

6. The Director of Corporate Services initiated procurement for a hardware break / fix service on 3 March 2018. The Director subsequently initiated the tendering process which has been carried out by ICT and Procurement department staff, using an approved procurement framework.
7. The procurement was carried out utilising the collaborative Crown Commercial Service (CCS) Framework RM3804 'Technology Services 2' Lot 3A (End-user Services). A mini-competition was carried out and this entailed issuing the ITT to 103 suppliers under this lot. It was published on 10 January 2019 and the deadline for responses was 15 February 2019. 24 expressions of interest were received, resulting in 5 companies submitting bid responses.
8. The evaluation criteria consisted of a number of mandatory pass/fail criteria. The price element was weighted at 30 per cent, and the quality element at 70 per cent.
9. Table 1 below shows the price and quality scores of the respective bidders.²

	A	B	C	D	E	F	G
Service	Total Computer Networks Ltd	MCSA Ltd	Specialist Computer Centres (SCC) – Smartnet Option	Computacenter (UK) Ltd	CDW Ltd -Smartnet Option	CDW Ltd - Shared support Option	Specialist Computer Centres (SCC) - Network PSS Option
Price	15.82	27.89	12.22	12.54	14.15	16.88	16.84
Quality	28.24	40.59	70.00	70.00	69.94	69.94	70.00
Total	44.06	68.48	82.22	82.54	84.09	86.82	86.84

10. Explanatory Notes for the interpretation of the above table

On the pricing element of the evaluation, MCSA proposed the lowest price by a large margin and consequently scored the highest, but in the qualitative evaluation the bid was severely lacking and the final score reflects this. Both CDW and Specialist Computer Centres (SCC) proposed two different – but compliant – options and these were both evaluated. The SCC bids both scored maximum points for quality. However, the 'Smartnet' option was more expensive and, therefore, scored lower out of the two. The CDW options were also ultimately decided on price with the 'shared support' option scoring the highest of the two. It came second in the overall evaluation to SCC's 'Network PSS' option which offered slightly more in the areas of hardware stores management, multi-item collection service provision, complex deliveries and collections and the hardware imaging service, and was therefore considered the best and the most economically advantageous. The current incumbent, Computacenter, also scored maximum points in the qualitative evaluation, but the tendered price was considerably higher than other bids. The Total Computer Networks bid was of poor quality and borderline non-compliant.

² To be redacted prior to publication

11. The outcome of the tender evaluation process is included in this report and it is recommended that the tender [from Specialist Computer Centres (SCC) utilising the Network PSS service be accepted at a cost of £182k in the first year and an indicative cost over four years not exceeding £1.2m]³

Budget provision

12. Provision exists within the ICT revenue budget for a sum of £399k for hardware support and maintenance. Whilst the initial costs of the new contract are likely to show a significant 'saving' on this provision, annual costs will change over the life of the contract. The scope of this contract varies from its predecessor as it allows for additional services to better meet the needs of LFB particularly in relation to the growth of portable devices and their continued software build requirements. this is set out in paragraph 3, Scope of the replacement contract. An additional factor in reducing the savings over time is that much of the equipment within the scope of this contract is currently under manufacturer warranty and these provisions will end during the life of the contract. As a consequence, this and a general growth in the number of deployed devices, will increase costs. In the first year of the contract, a saving in the region of £130k is estimated. As this is a transitional year, subsequent savings are likely to average £100k a year, although the exact level of savings will be dependent on the warranty expiration and addition of new devices, as described above.

Finance comments

13. This report seeks approval to accept a tender for the provision of ICT hardware maintenance and support at a cost not exceeding £1.2m over four years. The budget currently available for this is set at £399k annually. Whilst actual spend will vary from year to year, this new contract is likely to result in a saving over the life of the contract, estimated at £130k in the first year. Any resulting underspend will be reported on as part of the regular financial position reports in 2019/20 and any ongoing saving will be considered as part of the budget process for future years.

Workforce comments

14. No staff side consultation is proposed on this report.

Legal comments

15. Under section 9 of the Policing and Crime Act 2017, the London Fire Commissioner (the "Commissioner") is established as a corporation sole with the Mayor appointing the occupant of that office. Under section 327D of the GLA Act 1999, as amended by the Policing and Crime Act 2017, the Mayor may issue to the Commissioner specific or general directions as to the manner in which the holder of that office is to exercise his or her functions.
16. By direction dated 1 April 2018, the Mayor set out those matters, for which the Commissioner would require the prior approval of either the Mayor or the Deputy Mayor for Fire and Resilience (the "Deputy Mayor").
17. Paragraph (b) of Part 2 of the said direction requires the Commissioner to seek the prior approval of the Deputy Mayor before "[a] commitment to expenditure (capital or revenue) of £150k or above as identified in accordance with normal accounting practices...".
18. The Deputy Mayor's approval is accordingly required for the London Fire Commissioner to procure hardware support and maintenance at a total cost of up to £1.2m .

³ To be redacted prior to publication

19. The statutory basis for the actions proposed in this report is provided by section 5A of the Fire and Rescue Services Act 2004 which allows the Commissioner to procure services they consider appropriate for purposes incidental to their functional purposes.
20. The General Counsel also notes that the proposed service has been procured in compliance with the Public Contracts Regulations 2015. The Crown Commercial Service have conducted a compliant OJEU procurement in accordance with section 33 of the Public Contracts Regulations 2015 to set up RM3804 'Technology Services 2' Lot 3A (End user Services), from which the Commissioner is able to make a compliant call off.

Sustainability implications

21. The appointed contractor will, wherever possible, aim to re-use equipment which is removed and replaced. For assets which no longer meet LFB's requirements, a remarketing service is offered based on a profit share agreement, whereby The LFC will receive 80 per cent revenue return on any profits made from re-sale of redundant IT assets. As an average the contractors recycling will re-purpose over 70 per cent of legacy assets returned, either through remarketing or using parts for spares. This promotes the WEEE directive which is better to reuse as opposed to dispose.
22. The contractor will dispose of assets which cannot be repurposed using in-house, secure, WEEE-compliant disposal processes and facilities.
23. The contractor operates a zero land fill policy; this is underpinned by ISO 14001 accredited Environmental Management System. Any resultant granulated product is passed onto third party re-processors.
24. All third party recycling reprocessors are subject to an audit process which involves a site visit to specifically look at regulatory compliance, management systems / personnel, community affairs, facility operations, environmental setting, security and facility design
25. All on boarded reprocessors operate to a zero land fill policy to ensure all waste fractions are turned into raw materials for re-use. Regular reprocessor licence/registration checks are also made to ensure all reprocessors remain listed on EA registers.

Equalities implications

26. The Public Sector Equality Duty applies to the London Fire Commissioner when they make decisions. The duty requires them to have regard to the need to:
 - a) Eliminate unlawful discrimination, harassment and victimisation and other behaviour prohibited by the Act. In summary, the Act makes discrimination etc. on the grounds of a protected characteristic unlawful.
 - b) Advance equality of opportunity between people who share a protected characteristic and those who do not.
 - c) Foster good relations between people who share a protected characteristic and those who do not including tackling prejudice and promoting understanding.
27. The protected characteristics are age, disability, gender reassignment, pregnancy and maternity, marriage and civil partnership, race, religion or belief, gender, and sexual orientation. The Act states that 'marriage and civil partnership' is not a relevant protected characteristic for (b) or (c) although it is relevant for (a).

28. An equalities impact assessment (EIA) has been carried out in respect the new break fix service. The main elements of the service required, which are similar to the existing contract service, are summarised at paragraph 3 above.
29. The London Fire Commissioner has considered the proposals and her duty under the Act to eliminate unlawful discrimination, advance equality of opportunity, and foster good relations between people who share a protected characteristic and those who do not.
30. The EIA assesses that the system itself will not have a disproportionately adverse effect on any persons with a particular characteristic due to no change in process nor availability of appropriate equipment.