

Report title

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## Foundation software licensing: acceptance of tender

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Report to  
London Fire Commissioner

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Report by  
Chief Information Officer

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### Summary

The Brigade has completed a tender exercise (under a CCS framework) and is ready to put in place a call off contract for the supply of a range of software licences and software from different manufacturers; this report seeks a decision to accept the tender and give a delegated authority to the Chief Information Officer, to make software purchases/renewals under the contract.

The target software for the new contract is predominantly software which has a low user base and/or is highly specialised. The new contract will cover various desktop software products, and including service management (helpdesk) software, as well as various network software tools.

A key part of this new contract will put in place a software asset management (SAM) tool, to be managed by the successful supplier, which will hold a complete record of the Brigade's software licensing so that valid licences are in place for all Brigade software in use.

### Recommendations

1) That the London Fire Commissioner (LFC) delegate authority to:

- a) the Director of Corporate Services to accept the successful tender for the renewal/purchase of a range of lower user base/specialised software licenses from the supplier and for the value set out in the confidential appendix A [Phoenix Software Limited<sup>1</sup>] to this report.
- b) the Chief Information Officer the to renew/purchase lower user base/specialised software licences, including a Software Management Tool, under the contract with the supplier set out in the confidential appendix A [Phoenix Software Limited<sup>1</sup>] to this report, and within existing budgets.

2) The Board note the intention to work collaboratively with the London Ambulance Service (LAS) on the joint procurement of an IT Service Management tool (the cost of which is included in the overall budget provision set out in confidential appendix A to this report, although LAS would reimburse their share of the cost).

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<sup>1</sup> TO BE REDACTED BEFORE PUBLICATION

## Background

1. The Brigade tendered (under a CCS framework in March 2018) for the supply of a range of software licences that will obviate the need for individual procurement actions to save time and resources, but to ensure that purchases are subject to proper market testing.
2. The target software covered by the contract is predominantly low user base or highly specialised items and includes:
  - a) **data management and administration tools**, such as ConceptClassifier (taxonomy classifying software), Scinaptic OnePlaceMail (tool to transfer email in SharePoint), Metalogix ControlPoint (tool to manage permissions, etc.in SharePoint).
  - b) **network software tools**, like SolarWinds (network/sysadmin management tool), VMware vSphere (server virtualisation software), AppSense (user virtualization technology).
  - c) **desktop software**, like Adobe products.
  - d) **software development tools**, like Sparx Enterprise Architect (visual modelling and software design tool , Infragistics Controls (tool to create user interfaces).
  - e) **server tools**, like Veeam (backup, disaster recovery and intelligent data management software), Trend Scanmail/control manager (virus/malware protection), Symantec Windows DigiCert (website security), Trend Server (virus protection).
  - f) **service management (helpdesk) software**.
3. The contract also provides for **software asset management (SAM)** tool to be implemented by the chosen supplier (which is discussed in more detail below).

## Renewal of existing software licenses

4. The contract allows for the renewal of existing licensing arrangements and this report seeks a delegated authority for the Chief Information Officer to purchase/renew software licences within the scope of the contract, including for the Software Asset Management tool described below.
5. Examples of the types of software to be purchased under the contract is set out in paragraph 2 above.

## Software Asset Management (SAM) tool

6. The contract provides, in the first year, for the implementation of a SAM tool. The SAM tool will be used by the supplier to automate many of the tasks required to maintain compliance with software licenses, thereby controlling software spending. The tool will manage entitlements from enterprise license agreements, purchases and other records to automatically determine and optimize license position against discovered software. SAM tools manage software entitlement, in lieu of using spreadsheets, coping with the complexity of modern software-licensing schemes. The tool will also be able to directly assist with any potential shift in software providers for 2019/20 and beyond.
7. Under the terms of the contract, the chosen supplier is required to submit an implementation plan and costs for the SAM product for approval. This has now been received and the recommended product is for a managed service, which includes configuration and implementation, a telephone/online licence advisory service, a reporting tool, quarterly onsite management presentations, and a licence dashboard solution. This proposition for a SAM tool from the chosen supplier meets the needs of the Brigade and is recommended for acceptance.

### **IT service management tool**

8. Amongst the software covered by the contract is the supply an IT Service Management (ITSM) tool and a range of network monitoring tools. Amongst other things, an ITSM supports the ICT service desk with the logging and resolution of problems and issues. The tool will also aid the publication of FAQs about regular recurring issues. The software largely supports the ICT service desk and problem resolution operations.
9. The Board may wish to be aware that Brigade has been in discussion with the LAS about a proposed collaborative procurement and implementation of an common ITSM product. Currently, LFB and LAS use different products and the intention would be to use the same software. Subject to concluding satisfactory arrangements with LAS, and consultation with General Counsel, it is proposed to pursue this collaboration.

### **Budget provision**

10. The estimated value of software licences to be purchased/renewed under this three year contract is set out in confidential Appendix A. There is provision in the ICT base budget to cover the cost of licences for the software products to be purchased under the contract as outlined in this paper.

### **Procurement arrangements and tender evaluation**

11. A competitive process under a CCS framework (Technology Products 2 Agreement RM3733 Framework Schedule 4 – Annex 1) has been concluded. Four companies submitted a tender (as set out in the confidential appendices A and B) Appendix A outlines how the tenders were evaluated, and Appendix B shows the scoring outcomes. The supplier to be appointed will act as a reseller for the majority of the Brigade's low user base/specialised software requirements.

### **Finance comments**

12. This report seeks a decision to accept the tender for a range of software licenses and to give the Chief Information Officer delegated authority to renew/purchase licenses under the contract.
13. The expected cost of these software licences is set out in paragraph 10 above and will be met from the existing revenue budget.
14. The Board is also asked to note that under the recommended delegated authority, a replacement ITSM will be procured in partnership with the LAS. The LAS will cover their own costs as part of this procurement.

### **Workforce comments**

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

### **Legal comments**

16. Section 5A of the Fire and Rescue Services Act 2004 gives the Commissioner the power to do anything which it considers appropriate incidental to its functional purposes. It also gives a statutory power to do anything which it considers appropriate for purposes indirectly incidental to its functional purposes through any number of removes. The Commissioner therefore has the necessary statutory powers to undertake the activities proposed in this report. The procurement has been competitively tendered through recompetition under a framework agreement, in accordance with the public contracts regulations.

### **Sustainability implications**

17. There are no specific sustainability implications arising from this proposal.

**Equalities implications**

18. There are no specific equalities implications arising from the proposals in this report.

## Freedom of Information Act 2000

### 43 Commercial interests

(2) Information is exempt information if its disclosure under this Act would, or would be likely to, prejudice the commercial interests of any person (including the public authority holding it).

## Procurement, tender evaluation and outcomes

1. A competitive process under a CCS framework (Technology Products 2 Agreement RM3733 Framework Schedule 4 – Annex 1) has been concluded.
2. Four companies submitted a tender (as set out in the confidential appendix B). The paragraphs below set out how the tenders were evaluated and Appendix B shows the scoring outcomes.
3. The supplier – Phoenix Software Limited – should be appointed to act as a reseller for the majority of the Brigade's low user base/specialised software requirements.

## How the tenders were evaluated

4. **For quality**, the evaluation team used the scoring methodology within the documents, to apply this to the submissions for every tenderer. With the exception of CDW for 1 question, each company scored maximum marks. The reason for the CDW lower mark was that the return was not taking into account all of the information given in the tender, or the question or guidance as a whole, the response to that particular question was deemed to have required a session from LFB to 'improve' their response post award, which as per the evaluation criteria dropped their score 1 band.
5. **For price**, where a quote was submitted this was used. Where there was no quote, the best and most recent information was used to calculate the cost to LFB. As per the evaluation methodology, this was made up of a quote (+10 percent). These were added to ensure that as far as possible there was a level playing field across all tenderers. Specifically, there were issues relating to IBM Cognos where two suppliers did not submit. Also, Softcat said that we did not require a license – while this is true, the Brigade will not run Cognos as an unsupported product, so a tender quote of £0 was rejected and the stock quote was added (+10 percent) as per the evaluation methodology.
6. Also on price for IBM, we had to ensure that we did not use the passport advantage pricing as this takes into account a discount of about 60 percent (for going direct) which would have been an unfair comparison – this was removed before we added in the comparative pricing.

## Budget provision

7. The estimated value of software licences to be purchased/renewed under this three year contract is some £500,000. There is provision in the ICT base budget to cover the cost of licences for the software products to be purchased under the contract as outlined in this paper.

## Freedom of Information Act 2000

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## Tender scoring outcomes

Question Number	Weight	CDW			Softcat			Software Box			Phoenix		
		Evaluation Score (0, 1, 3, 7)	Justification where score is less than 7	weighted score	Evaluation Score (0, 1, 3, 7)	Justification where score is less than 7	weighted score	Evaluation Score (0, 1, 3, 7)	Justification where score is less than 7	weighted score	Evaluation Score (0, 1, 3, 7)	Justification where score is less than 7	weighted score
1	N/A												
2	N/A												
3	5%	7		5%	7		5%	7		5%	7		5%
4	5%	7		5%	7		5%	7		5%	7		5%
5	5%	7		5%	7		5%	7		5%	7		5%
6	5%	7		5%	7		5%	7		5%	7		5%
7	5%	3	Generic answer not tailored to the LFB requirement. Whilst principles were sound the answer did not meet the criteria for an excellent response and does suggest input by LFB to reach this standard.	2%	7		5%	7		5%	7		5%
8	25%	7		25%	7		25%	7		25%	7		25%
9	50%	£ 209,200.69		45%	£ 237,189.30		40%	£ 261,040.81		36%	£ 187,557.80		50%
		92.0%			89.5%			85.9%			100.0%		

OEM	Product	License		Default quote	CDW		Softcat		Software Box		Phoenix	
		#	License %		Quote from tenderer	Compliance Check by ICT	Quote from tenderer	Compliance Check by ICT	Quote from tenderer	Compliance Check by ICT	Quote from tenderer	Compliance Check by ICT
NTS UK LTD		0	0.00%									
DOCSCORP	pdfDocs (including Binder)	1,050	70.61%	£ 9,950.70	£ 16,359.00		£ 16,997.00		£ 16,121.21		£ 14,523.60	
FIRMSTEP	Achieve Forms	1	0.07%	£ 14,582.00	£ 35,362.50		£ 34,500.00		£ 34,848.48		£ 34,500.00	
BIGHAND	AMSMOB support	11	0.74%	£ 570.35	£ 627.39		£ 627.39		£ 627.39		£ 627.39	
BIGHAND	AMSUSE support	12	0.81%	£ 948.48	£ 1,043.33		£ 1,043.33		£ 1,043.33		£ 1,043.33	
BIGHAND	SWASS support	12	0.81%	£ -	£ -		£ -		£ -		£ -	
BIGHAND	AMSOSP support	1	0.07%	£ 257.83	£ 283.61		£ 283.61		£ 283.61		£ 283.61	
								Claims maintenance costs only, no license fee				
IBM	Cognos Impromptu Web Reports Authorized User	100	6.72%	£ 21,900.00	£ 85,382.50		£ 24,090.00		£ 24,090.00		£ 69,972.00	
IBM	Cognos Impromptu Web Reports Limited User	200	13.45%	£ 61,400.00			£ 67,540.00		£ 67,540.00			
Experian	QAS Batch with Suppression 7.15 Standalone	1	0.07%	£ 14,212.16	£ 15,223.00		£ 14,851.71		£ 15,738.85		£ 14,851.71	
Experian	QAS Database Builder	1	0.07%	£ -	£ -	part of above	£ -	part of above	£ -	part of above	£ -	part of above
PILAT	Gauge	1	0.07%	£ 2,700.00	£ 2,970.00		£ 2,970.00		£ 2,970.00		£ 2,970.00	
Lexis Nexis	SolCase Case	25	1.68%			no quote provided		no quote provided				The price for Visual Files was returned
						unlear if this is for this product as it is recorded as one flat return		unlear if this is for this product as it is recorded as one flat return				
Lexis Nexis	Xpert HR UK Team	58	3.90%	£ 9,945.65	£ 12,911.76		£ 12,596.76		£ 10,940.22		£ 10,443.00	
						This is a flat price for both RESTORE products				This is their submission, however the price is wild. This is a flat price for both RESTORE products		
RESTORE	Restore Scan Software Support	2	0.13%	£ 3,000.00	£ 4,868.75		£ 3,300.00		£ 52,110.78		£ 3,750.00	
RESTORE	Application Support Renewal for Sharepoint Release	2	0.13%	£ 800.00		see above	£ 880.00				£ 1,000.00	
ALIGNED Assets	Business Names National	1	0.07%	£ 22,231.76	£ 23,603.35		£ 24,408.00		£ 24,161.45		£ 23,027.66	
CAD Corporation	Web Map Layers & GeognoSIS Deployment	1	0.07%	£ 2,605.00	£ 2,865.50		£ 2,865.50		£ 2,865.50		£ 2,865.50	
CAD Corporation	GeognoSIS Developer	1	0.07%	£ 1,045.00	£ 1,149.50		£ 1,149.50		£ 1,149.50		£ 1,149.50	
CAD Corporation	Map Modeller	3	0.20%	£ 1,815.00	£ 1,996.50		£ 1,996.50		£ 1,996.50		£ 1,996.50	
CAD Corporation	Local Knowledge	1	0.07%	£ 320.00	£ 352.00		£ 352.00		£ 352.00		£ 352.00	
								This is a flat price for both 1Spatial products				
1SPATIAL	AMC - FME Database Edition - Fixed	2	0.13%	£ 1,720.00	£ 1,892.00		£ 26,738.00		£ 1,892.00		£ 1,892.00	
1SPATIAL	AMC - FME Server Edition - 1st Engine	1	0.07%	£ 2,100.00	£ 2,310.00				£ 2,310.00		£ 2,310.00	
Tender pricing/value				£ 172,103.93	£ 209,200.69		£ 237,189.30		£ 261,040.81		£ 187,557.80	