

Meeting: Cabinet
Date: 16th September 2024
Classification: Part 1
Key Decision: Yes
Title of Report: **Device Refresh Procurement Award Approval**

Executive Director: Claire Shuter, Executive Director (Strategy and Change)
Report Author: Claire Foster, Head of Service & ICT Delivery, Strategy and Change
Executive Councillor: Councillor Daniel Cowan, Leader of the Council

1. Executive Summary

- 1.1. The council aims to ensure staff are provided with modern laptops, desktops and tablets (called end user devices) that perform to a high standard and adhere to the latest security standards. To achieve this we have a target to replace devices when they are between 3-5 years old. The council last replaced end user devices in 2020-2021.
- 1.2. The purpose of this decision report is to provide a clear outline of the estimated costs and to obtain approval to award the Device Refresh procurement via the aggregated tender framework with effect from 14th November 2024. The ICT and Corporate procurement teams have been working within the aggregated tender framework to procure the best deal for the council via a certified reseller.

2. Recommendations

It is recommended that Cabinet:

- 2.1. **Approve the proposed award for new devices through an aggregated tender framework within the already allocated budget for the ICT capital investment programme for the 2024/25, 2025/26 and 2026/27 Financial Years;**
- 2.2. **Delegate authority to the Executive Director (Strategy and Change), in consultation with the Leader of the Council, to finalise the contract award to the successful supplier.**

3. Background

- 3.1. The council has previously adopted a project-led approach to device replacement with temporary staff brought in to complete the replacement over a

condensed period. This approach is costly and therefore we have considered more cost-effective ways to replace devices.

- 3.2. It is recommended that devices should be replaced on a 3–4-year cycle. This ensures they are secure and run on supported software.
- 3.3. The proposal is to replace devices as part of a rolling programme rather than a condensed project. Most of the resources will be existing establishment staff with minimal temporary staff to set up the process.
- 3.4. The intention is to follow a procurement aggregated tender approach via the Crown Commercial Services (CCS) framework to award a supplier for these devices. This enables Southend-on-Sea City Council (SCC) to realise reduced device costs due to the purchasing strength of multiple authorities. Procurement aggregation is a relatively new initiative that allows us to submit our requirements alongside other public sector organisations. CCS will create lots for suppliers to bid on combining requirements from participating organisations which should achieve lower costs than submitting requirements separately.
- 3.5. Southend-on-Sea City Council maintains full control over the manufacturer, model and specification of all devices procured via aggregated tender. SCC works directly with several manufacturers to shortlist devices and evaluation units are sent to SCC for assessment. Post assessment SCC will submit a specification to CCS including the product device reference. Including the device reference in our specification ensures we receive the exact model required.
- 3.6. The request for an agreement in principle at this time, rather than a decision to award following the aggregation, is due to the condensed timelines when utilising an aggregated procurement via the CCS framework.
- 3.7. The budget forecast below is based on the number of devices rolled out in 2020/21 and a rough estimate of unit cost for each device type. This estimate does not include any discounts we might achieve through selecting different manufacturers and/or device models.

3-Year Summary April 24 – March 27	
	<i>Current Max Spend Est.</i>
<u>Year 24/25</u>	£400,000
<u>Year 25/26</u>	£983,605
<u>Year 26/27</u>	£983,605
<u>Total</u>	£2,367,210

4. Reasons for Decisions

- 4.1. An aggregated tender process allows SCC to take advantage of economies of scale. Additionally, if procuring via aggregation we should achieve further savings by submitting our requirements alongside other government entities through a single tender making it very attractive to prospective bidders. This is the same approach used for the Microsoft Enterprise Agreement approved by Cabinet in January 2024.

5. Other Options Considered

- 5.1. Option 1 – not recommended. Procure devices via the G-cloud framework. This approach would be more costly as SCC would not benefit from an aggregated purchase achieving reduced item cost.
- 5.2. Option 2 – not recommended. Lease devices from a supplier/manufacturer. This approach would see the council enter into a lease agreement with a supplier for a fixed period. The benefits of this approach are a much lower upfront cost with monthly, quarterly or annual payments. Additional supplier support could be provided throughout the lease (maintenance, break fix, replacement etc). This approach changes the method of funding from Capital to Revenue. The approach also creates restrictions on how the equipment is used and at the end of the lease equipment needs to be returned to the Lessor
- 5.3. Option 3 – recommended. Procure devices via the aggregated tender process and replace on a rolling basis.

6. Financial Implications

- 6.1. The figures quoted are estimates and until the procurement exercise has been completed it is not possible to know the exact costs. It is anticipated that further savings will be achieved via the aggregation and one of the main considerations for device evaluation will be cost.
- 6.2. The approved capital budget totals £2.367m over FY24/25, FY25/26 and FY26/27.

7. Legal Implications

- 7.1. Failure to adhere to the latest security standards could have significant legal and financial implications. We have a duty to protect data and failing to maintain the device estate could lead to Data Security and Privacy issues. The inability to access critical software updates and security patches leading to data breaches or non-compliance with data protection regulations may result in legal liabilities.
- 7.2. Procurement will be conducted via the CCS aggregated, this approach is fully compliant and provides the same level of legal protection as standard tender.

8. Policy Context

8.1 [Southend City Council Digital Policy](#)

8.2 [Digital Information Security Policy](#)

9. Carbon Impact

9.1. Manufacturers of hardware including chips, screens and CPUs place a lot of emphasis on energy efficiency during new product development. Efficiency standards have also changed since our previous device replacement so new devices would adhere to the latest standards. The carbon impact will also be considered during the evaluation of devices.

9.2. Replaced devices will be recycled according to industry standards

10. Equalities

10.1. SCC will ensure any devices selected can accommodate staff with disabilities. The devices being evaluated will use the Windows 11 Operating System and benefit from the latest accessibility features.

11. Consultation

11.1. None required

12. Appendices

12.1. None

13. Report Authorisation

This report has been approved for publication by:		
	Name:	Date:
S151 Officer	Joe Chesteron	08/08/24
Monitoring Officer	Susan Zeiss	07/08/24
Executive Director(s)	Claire Shuter	19/07/24
Relevant Cabinet Member(s)	Councillor Daniel Cowan	14/08/24