

**Forward Plan reference number:** Not applicable

<b>Report title:</b> 0440 EOLP ICT Peripherals Framework Extension	
<b>Report to:</b> Nicole Wood, Executive Director for Finance and Technology	
<b>Report author:</b> Tracey Kelsbie, Director of Technology Services	
<b>Date:</b> 11 June 2020	<b>For:</b> Decision
<b>Enquiries to:</b> Tracey Kelsbie, Director of Technology Services	
<b>County Divisions affected:</b> All Essex	

## 1. Purpose of Report

- 1.1 The purpose of this report is to obtain approval to extend the EOLP ICT Peripherals Framework contract for 1 year.

## 2. Recommendations

- 2.1 Agree to extend the EOLP ICT Peripherals Framework contract for 1 year from 16 August 2020, estimated at £1,500,000 of call-offs.

## 3. Summary of issue

- 3.1 A framework was established in 2017 for the provision of ICT peripherals with supplier XMA, which can be used by Essex County Council (ECC) and the other contracting bodies who are member of the Essex Online Partnership (EOLP). ICT peripherals which can be purchased under this framework includes keyboard, mice, wrist rests, network boosters, monitors, cables, etc.
- 3.2 The contract commenced on 25 August 2017 for a period of 2 years, with an option to extend for 1 year which was exercised in 2019. The framework is now due to expire on 24 August 2020.
- 3.3 This framework is still required for 2020/2021 but ECC staff are diverted by procuring urgent requirements to deal with COVID-19-related matters and therefore are not available to re-procure this framework and implement a new solution (including a punch-out catalogue on TCS) before its expiry in August 2020. With the majority of employees working from home, the requirement for ICT peripherals is expected to increase to enable ECC to support extended home working. The value of the variation is estimated to be up to £1,000,000.
- 3.4 There is no further extension option available in the contract, therefore it is intended that this contract is extended for a further year under Regulation 72(1)(c) of the Public Contracts Regulations 2015 (the Regulations) which permits an extension provided the conditions within that Regulation are met.
- 3.5 It is proposed to extend the framework agreement on the same terms set out within the current specification and terms and conditions, subject only to such changes as are required for changes in technology and changes in law.

- 3.6 The framework agreement was originally let for £5,000,000 (as published in the Contract Award Notice). The spend to date for ECC under this framework agreement is £1,008,421 up to 12 March 2020. Spend for the 1 year extension, based on historic spend, is expected to be up to £1,500,000.
- 3.7 There are no notable performance issues with this contract in relation to ECC or the EOLP members.
- 3.8 In response to the current Coronavirus outbreak (COVID-19) ECC needs to ensure the supply of goods, services and works to provide and maintain support to Essex residents.
- 3.9 An exercise has been undertaken, using ECC's contract liquidity data, to identify those contracts that deliver essential goods, works and services that will need to be extended or re-procured within the next few months to ensure continuity of supply, and this contract has been identified.

#### **4. Options**

- 4.1 Option 1: Do nothing and allow the current framework with the existing provider to expire without replacement. Although this would not have an effect on the choice of suppliers via established frameworks, ECC and the EOLP would not attain economies of scale via this option, thus constraining savings and value for money as tail end spend increases.
- 4.2 Option 2: Preferred - extend the current Framework Agreement for a further 12 months until 24 August 2021 by relying on Regulation 72 of the Regulations. This will meet the immediate need to ensure the supply of goods during the current Coronavirus outbreak.
- 4.3 Option 3: Carry out a procurement for a framework agreement and award a framework contract for the provision of ICT Peripherals for the next 4 years. This option cannot be currently resourced during the current Coronavirus outbreak with resources focussing on maintaining the technology infrastructure with the majority of staff working from home.
- 4.4 Option 4: Call-off an existing peripherals framework. These frameworks can be used straight away and can attract economies of scale to offer competitive pricing. However, products are refined only to the scope of the framework and there is not much flexibility of contract terms, as they are not permitted to be materially altered.

#### **5. Issues for consideration**

##### **5.1 Financial implications**

- 5.1.1 The extension of this framework has no direct financial implications. Use of the framework by ECC will require, however, individual decisions to procure the relevant services from the framework, which will need to include

demonstration that sufficient funding is available to support any costs associated with those decisions.

- 5.1.2 Total spend under this framework to March 2020 is £1,008,421. The spend on the contract for the 1 year extension is expected to be less than £1,000,000 based on the annual average spend under the contract and forecast spend to support extended home working.

## **5.2 Legal implications**

- 5.2.1 Given the timing of the Coronavirus, there has been an unavoidable impact on staffing and resources of ECC which has made it impossible to run a procurement process for this requirement in the time available and it is therefore now necessary to extend this framework agreement to ensure that any such ICT peripherals can be purchased for the next year to support staff. The contract terms are intended to remain the same subject to any necessary changes in relation to technology updates or changes and changes in law. The value of the proposed modification is under 50% of the original contract value.
- 5.2.2 Legally, an extension of a contract would be a modification falling within Regulation 72 of the Regulations. Regulation 72(1)(c) allows for a modification where the need for the modification has been brought about by circumstances which a diligent contracting authority could not have foreseen and the modification does not alter the overall nature of the contract and the value of the proposed modification does not exceed 50% of the value of the original contract. An extension of the framework agreement for the reasons stated within this report would therefore be compliant with Regulation 72(1)(c).
- 5.2.3 Where ECC relies on Regulation 72(1)(c), a notice must be sent in accordance with Regulation 51 of the Regulations.
- 5.2.4 A record of this Executive Director decision needs to be made in the required format.

## **6. Equality and Diversity implications**

- 6.1 The Public Sector Equality Duty applies to the Council when it makes decisions. The duty requires us 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.

- 6.2 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).
- 6.3 The equality impact assessment indicates that the proposals in this report will not have a disproportionately adverse impact on any people with a particular characteristic.

## 7. List of appendices

### 7.1 Equality Impact Assessment

<b>I approve the above recommendations set out above for the reasons set out in the report.</b>	<b>Date</b> 01/07/2020
<b>Executive Director for Finance and Technology</b>	
<b>Nicole Wood</b>	

### In consultation with:

<b>Role</b>	<b>Date</b>
<b>Cabinet Member for Customer, Corporate, Culture and Communities</b>	17/07/20
<b>Councillor Susan Barker</b>	
<b>Executive Director for Finance and Technology (S151 Officer)</b>	29/06/2020
Peter Shakespear, Head of Finance (Corporate & Strategic Partnerships)	