

Nottingham City Council Delegated Decision



Nottingham
City Council

Reference Number:	2510
Author:	Mark J Ashford
Department:	Resources
Contact:	Mark J Ashford (Job Title: Release and Deployment Manager, Email: mark.ashford@nottinghamcity.gov.uk, Phone: 0115 8763152)
Subject:	Expenditure on PC Hardware
Total Value:	£572,000 (Type: Capital and Revenue)
Decision Being Taken:	<p>To delegate authority to the Head of Service (IT) to enter into contracts up to the value of £572,000 using an established government framework to purchase PCs, Laptops, Tablets, Monitors and other peripheral devices required to meet operational needs to March 2017.</p> <p>To amend the Capital Programme by an initial value of £0.322m and, thereafter, by the value of additional departmental purchases of up to £0.250m but excluding the value of items procured to support schemes already in the Capital Programme.</p>
Reasons for the Decision(s)	<p>IT hardware has a useful life of approximately 5 years. Each year approx. 20% of computers used by the City Council will require replacement. Annually this amounts to approx £563k although due to a larger percentage of devices having been replaced in 2014/15 as part of the upgrade to Windows 7 the amount provisionally committed by the IT Strategy Board for 2016/17 is £322k which is budgeted for in the IT Efficiency Fund.</p> <p>In addition, each year there is an amount of expenditure on new IT equipment which, rather than forming part of the planned replacement, is incurred as a result of requests made by the various services across the organisation for new and/or upgraded equipment required to meet new business needs (Known as Business As Usual requests (BAU)). Hardware is purchased in bulk, charged to the IT Efficiency Fund, and then allocated across various projects and operational activity. It is expected that services will repay the IT Efficiency Fund for BAU requests. Based upon historic information the value of equipment that will be purchased to meet BAU requests will not exceed £250,000 in 2016/17.</p> <p>A delegated decision is requested to authorise expenditure of £572,000 in order to cover estimated spend on new PCs, Laptops, Tablets, Monitors and other peripheral devices required to meet operational needs to March 2017.</p>

Other Options Considered: **First option: Ad hoc replacement of computers at point of failure.**
Computers used to be upgraded on an ad hoc basis, in response to failure of individual devices or response to individual's requests. This approach was piecemeal and unplanned leading to potential inefficiency in replacement as economies of scale are lost and it caused temporary disruption to service delivery. For this reason, this option was rejected.

Second option: do nothing
Many activities undertaken by colleagues and councillors depend upon access to information systems. Not replacing failed and out of date computers is not feasible. When these devices fail services are adversely affected. As computers age they become slow, more prone to failure and increasingly unable to run up to date versions of software. Supporting a programmed replacement of old computers allows the Council to manage its assets in a more effective and efficient way and so maintain services to citizens. For these reasons, this option was rejected.

Background Papers: **None**

Published Works: **None**

Affected Wards: **Citywide**

Colleague / Councillor Interests:

Consultations: **Those not consulted are not directly affected by the decision.**

Crime and Disorder Implications: **None**

Equality: **EIA not required. Reasons: No new or changing policies or services. EIA not applicable to the purchase of standard IT hardware.**

Social Value Considerations: **None**

Major Implications for IT: **Yes**

Decision Type: **Portfolio Holder**

Subject to Call In:

Yes

Call In Expiry date:

23/06/2016

Advice Sought:

Legal, Finance, Procurement, IT

Legal Advice:

This report raises no significant legal concerns. Pending the establishment of a framework agreement for the purchase of IT equipment (not envisaged to be before March 2017 according to the report author), the council can procure IT equipment as and when required through a government framework agreement such as Crown Commercial Services in compliance with the council's financial regulations up to the maximum value set out in this report. Advice provided by Sarah O'Bradaigh (senior solicitor) on 07/06/2016. Advice provided by Sarah O'Bradaigh (senior solicitor) on 07/06/2016.

Finance Advice:

The value of the decision (£0.572m) is based on the maximum estimated cost of purchasing PCs, laptop computers, tablets, monitors and peripheral devices to deliver the Council's planned replacement programme and to meet additional departmental service requirements up to the end of March 2017. The proposal might also support the efficient procurement of IT equipment included in existing capital schemes.

Funding of up to £0.322m has been identified within the IT Efficiency Fund to meet the cost of the planned replacement programme in 2016/17. Funding for estimated departmental service requirements of up to £0.250m has not been identified. IT will be responsible for placing all orders in relation to this proposal. Placing an official order without having identified an approved source of funding will normally contravene Financial Regulations (Contract Procedure Rule 9.6i). It is imperative, therefore, that where orders do not relate to the planned replacement programme, IT has obtained formal confirmation from Corporate or Service Directors that a resource will be made available from service budgets for which they are accountable, including capital projects.

Value for money will be achieved by procuring computer hardware in bulk through the government procurement framework referred to in the report.

Advice provided by C I Sharpe (Finance Analyst) on 24/05/2016.

Procurement Advice:

The decision to procure PCs, laptop computers, tablets, monitors and peripheral devices to deliver the Council's planned replacement programme and to meet additional departmental service is supported by the procurement team. We will work together with ICT to conduct a further competition exercise via the relevant government framework to ensure compliance with the procurement directives and our own financial regulations. There are no procurement concerns with this approach.

Advice provided by Rosalie Parkin (Category Manager) on 25/05/2016.

IT Advice:

The IT Service supports this proposal.
On a rolling basis the Council intends to refresh a tranche of IT equipment in use by colleagues. This is to maintain the quality of the estate in use by colleagues. New equipment is faster and contains more memory than that it replaces and provides colleagues with a better user experience. Typically the oldest devices are replaced through this process and colleagues whose equipment has been replaced through this route have experienced productivity gains through the additional capacity of new equipment.
Advice provided by Paul J. Burrows (Strategy Manager) on 17/05/2016.

Signatures

Graham Chapman (PH for Resources and Neighbourhood Regeneration)
SIGNED and Dated: 16/06/2016
Glen O'Connell (Corporate Director for Resilience)
SIGNED and Dated: 16/06/2016