

# Nottingham City Council Delegated Decision



**Nottingham**  
**City Council**

<b>Reference Number:</b>	2996
<b>Author:</b>	Anne Clarke
<b>Department:</b>	Strategy and Resources
<b>Contact:</b>	Simba Chirara (Job Title: Voice and Data Infrastructure Manager, Email: simba.chirara@nottinghamcity.gov.uk, Phone: 01158764688)
<b>Subject:</b>	6 month extension of VOIP, Local Area Network (LAN), Loxley LAN and Wireless Maintenance Contract
<b>Total Value:</b>	£89,000 (Type: Revenue)
<b>Decision Being Taken:</b>	<ol style="list-style-type: none"><li>1. To delegate authority to the Head of IT to extend the four current Capita IT Services contracts for the maintenance and support of network and telephony equipment, for a period of 6 months until 30th April 2018 until the contract is re-awarded through a full procurement exercise (contract details £100176 31/10/13-30/10/17, £38092 - 07/11/15-06/11/17, £15380 -01/09/15-31/08/17, £13417- 01/11/16-31/10/17).</li><li>2. To provide dispensation from Financial Regulation 3.29 to dispense with the requirements of the Contract Procedure Rule 5.1.1 and agree to the extension of these contracts through a single supplier</li></ol>
<b>Reasons for the Decision(s)</b>	Nottingham City Council (NCC) has over five hundred network devices that allow the computers and telephones to function across the Council. A maintenance contract is vital to ensure that the IT Service can provide a reliable, high availability network service to colleagues and citizens. Of the NCC IT network estate there are four maintenance and support contracts in place with Capita IT Services to maintain and support this equipment. The contractual plan is to consolidate these four contracts into a single entity and this will ensure maximum discounts whilst maintaining the specialty of the support needed. We are now in the position to go out to tender but require this further 6 months to complete the procurement / contract exercise.

**Other Options Considered:** Option 1 -To do nothing. This option is discounted because we would have no support whilst we conduct the necessary procurement exercise and negotiate a new contract. Furthermore we would need to purchase a stock of replacement spares to be able to fix any issues that may occur or risk having more downtime/ unavailability whilst replacement parts are sourced. The bug and security fixes are essential in maintaining security compliance. The cost of some of the premium equipment at the core of the network is around £250,000, so it would be impractical to have a spare. Doing nothing would not be possible without exposure to security threats, a change to the business continuity objectives and a significant frequent investment in spare equipment.

Option 2 - Tender for a new VOIP , LAN and Maintenance Contract as originally planned. This option is discounted as this will duplicate contracts that we wish to amalgamate to create economies of scale.

Option 3 - Tender for a 6 month extension. This option is discounted as the costs to go out to tender would be very expensive and require a lot of time. By continuing maintenance cover with Capita IT Services there would be no break in maintenance cover and no inconvenience to users.

**Background Papers:** None

**Published Works:** Delegated Decision number 2138 (published August 2015): VOIP,Local Area Network (LAN),Loxley LAN and Wireless Maintenance Contract - Original decision for the period 1 October 2015 - 30 September 2017.

**Affected Wards:** Citywide

**Colleague / Councillor Interests:** None

**Dispensation from Financial Regulations:** Yes

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

**Crime and Disorder Implications:** There are no crime and disorder implications

**Equality:** EIA not required. Reasons: Purchase of infrastructure maintenance not directly used by colleagues and citizens

**Major Implications for IT:** Yes

<b>Decision Type:</b>	Portfolio Holder
<b>Subject to Call In:</b>	Yes
<b>Call In Expiry date:</b>	14/11/2017
<b>Advice Sought:</b>	Legal, Finance, Procurement, IT
<b>Legal Advice:</b>	<p>This procurement does not give rise to any significant legal concerns.</p> <p>The contracts to be extended are below threshold and would qualify for this limited extension under the Contracts Procurement Regulations, if applicable, under Art 72 (b).</p> <p>Legal will be able to assist as necessary. Advice provided by Brian Lewis Stewart (Solicitor) on 24/10/2017.</p>
<b>Finance Advice:</b>	<p>There is currently sufficient budget provision for this contract.</p> <p>A saving, as a result of improved contract management, has been agreed in the MTFP. The savings have been identified as £60k in 1718 increasing to £120k in 1819.</p> <p>The saving of £60k in this financial year is on target to be achieved. The proposals detailed in this report will contribute towards delivering the additional savings in 1819. Advice provided by Dee Fretwell (Finance Analyst) on 18/10/2017.</p>
<b>Procurement Advice:</b>	<p>The proposal is a request for a dispensation to extend an existing contract for operational reasons. Due to the overall value and the proposed length of extension, there should be minimal risk to the Council. The council will need to conduct a tender process for future requirements. Advice provided by Lauren Wheatcroft(Lead Procurement Officer) on 25/10/2017. Advice provided by Lauren Wheatcroft (Procurement Officer) on 25/10/2017.</p>
<b>IT Advice:</b>	<p>The IT Service supports the decision recommended in this delegated decision.</p> <p>The decision will allow future consolidation of contracts for supply of network services simplifying contract management and associated costs. The extension of existing contracts is with suppliers who have proved satisfactory over the preceding contract period.</p> <p>Advice provided by Paul J. Burrows (IT Change, Projects &amp; Strategy Manager) on 05/09/2017.</p>
<b>Signatures</b>	<p>Graham Chapman (PH for Resources and Neighbourhood Regeneration)</p> <p>SIGNED and Dated: 07/11/2017</p> <p>Candida Brudenell (Corporate Director for Strategy and Resources)</p> <p>SIGNED and Dated: 06/11/2017</p> <p>Theresa Channell (Head of Corporate and Strategic Finance) - Dispensation from Financial Regulations</p> <p>SIGNED and Dated: 01/11/2017</p> <p>Chief Finance Officer's Comments:</p>