



EXECUTIVE BOARD DECISION

REPORT OF:	Executive Member for Resources
LEAD OFFICERS:	Director of Finance and IT
DATE:	14 June 2018

PORTFOLIO/S AFFECTED:	ALL
WARD/S AFFECTED:	All
KEY DECISION:	YES <input type="checkbox"/> NO <input checked="" type="checkbox"/>

SUBJECT: Replacement of the Council's IT laptop and desktop estate

1. EXECUTIVE SUMMARY

The report seeks approval to progress with a programme of works to replace the Council's 2,100 end user devices commencing in September 2018.

2. RECOMMENDATIONS

That the Executive Board:

Further to approval of the Capital Programme for 2018-2021 at Finance Council in February 2018, the Executive Board is asked to note the reallocation of £1,875,000 from the earmarked ICT Capital Reserve across 2018/19 and 2019/20, in order to commence the programme of works to replace the Council's end user laptop and desktop estate;
Approval is sought to progress with the procurement in line with the department's recommended strategy outlined in section 3 below.

3. BACKGROUND

The ITM&G Team began the last desktop refresh programme back in 2011 with the scheme completing in 2014. The majority of end user devices are now between 4 and 6 years old and are not covered under warranty with many of them having reached the point where they are no longer fit for purpose and are costing the Council time and money in their maintenance.

As we move forward with different technologies, the necessity to ensure our workforce is suitably equipped with flexible IT solutions becomes greater. In January 2020 Windows 7 will no longer be supported, making it imperative that the Local Authority upgrades to Windows 10.

A business case was submitted to Management Board which outlined 3 options;

1. Do Nothing – with retention of current devices to be used/recycled across the Council
2. Full refresh of corporate devices on a like-for-like basis.
3. Full refresh of corporate devices with users receiving new device types where necessary (e.g.

some laptop users receiving tablets)

Option 1 was discounted due to the impact on staff in using ageing devices, the fact that as devices break, there would not be enough spare devices available to replace them with and also due to the fact that the current devices will become non-compliant in 2020.

Due to the limited cost differential (£50k) between Options 2 and 3, a decision was made to progress with Option 3 as this provides for the projected growth in devices as the authority continues to increase its digital requirement and capability; this option also ensures that employees are using the most suitable device for their roles and as such, efficiency will increase.

The project will commence in September 2018 and will be ongoing for a 2 year period replacing 2,100 devices over this period.

The department has considered the following methods of procurement;

1. Full OJEU tender.
2. E-Auction either through Association of Greater Manchester Authorities (AGMA) or Crown Commercial Services (CCS).
3. Further competition through CCS framework Lot 1 - Hardware
4. Further competition through CCS framework Lot 5 – Volume Hardware Requirements

In deciding the most appropriate route the department has looked at the following five areas;

1. Provision of additional services – The Council can use the supplier for services such as asset tagging, imaging, unboxing and deliver to desk. This would enable the Council to have these services provided thereby saving time and effort in the roll out.
2. Ability to specify manufacturer – Allows the Council to specify the manufacturer of the devices.
3. Best pricing – Would ensure best pricing from the marketplace.
4. Contract term – Allows the Council to enter into a longer term contract to cover the entire project.
5. Call Off – Allows the Council to call off devices incrementally rather than in a bulk delivery.
6. Supplier control – ability to control the number of suppliers who tender preventing a long drawn out evaluation exercise.

Looking at each of the procurement routes in terms of the above compliance;

	Option 1	Option 2	Option 3	Option 4
Allows additional services	y	n	y	n
Can specify manufacturer	n	n	y	n
Best Pricing	y	y	n	y
Contract Term	y	n	y	y
Call Off	y	n	y	y
Supplier Control	n	y	y	y

A critical area for the department is the ability to specify the manufacturer of the devices to be supplied. If this is not specified then it is possible that the Council could end up with devices from a little known manufacturer which, although they may meet the specification, issues could arise in terms of performance, longevity and the robustness of the equipment. The Council has used Lenovo devices for the past 7 years and during this time has built up significant knowledge and experience of the equipment and method of build, which would be more efficient and save time in such an extensive refresh exercise.

To ensure the best price is obtained whilst specifying the manufacturer, utilising the framework will facilitate competition between various Lenovo Resellers who seek to win the tender. The Council will

also benchmark their prices with other authorities who have procured Lenovo devices to act as a price comparison to ensure value for money is obtained.

4. KEY ISSUES & RISKS

- To allow employees to work flexibly and digitally when on/off site - By ensuring employees are using the most suitable device for their role, efficiency levels will increase.
- To enable the Local Authority to modernise the operating system used - The Local Authority currently uses Windows 7 as its operating system, however in order to maximise the impact of digitisation and for staff to work as flexibly as possible (e.g. using touchscreen devices) it is paramount that the Council upgrades to Windows 10. However given the age of some of the current devices, Windows 10 cannot be installed on them, thereby hindering the implementation of the Council's digital strategy.
- To reduce service desk intervention - The intervention by the Service Desk is increasing due to the increasing age of devices in use across the Council. If a refresh of devices is not undertaken the level of intervention is likely to increase and may result in less available resource for other critical matters.
- To increase security - By providing employees with the most suitable device for their role there will be a reduction in the amount of hardcopy documents that are taken off-site, e.g. to service user's properties, which will ultimately reduce the risk, and potential cost, of security breaches
- To reduce replacement/repair costs - None of the devices currently in use are under warranty and as such, are currently having a financial impact on the Council. The refresh would put all laptop/tablet devices under warranty for three years and as such, would reduce the level of investment required in this area for that period of time.

5. POLICY IMPLICATIONS

The refresh of the equipment will support the delivery of the Council's Digital Strategy to "Deliver a Fit For Purpose Organisation" by refreshing technology that is outdated and does not meet the Council's needs.

6. FINANCIAL IMPLICATIONS

Provision for the scheme was included within the ICT Capital Earmarked Reserve for 2018-2021 as part of the Capital Programme approved at Finance Council in February 2018. The report asks the Executive Board to formally designate the scheme within the Capital Programme.

The entire new solution will cost the Council an estimated £1,875,000 of which £332k will be allocated for staff time for the refresh and £1,543k for the replacement devices. A breakdown of the estimated costs is below;

Role	Initiation	Delivery				TOTAL
		Design	Build	Test	Implement	
Project Management	12				380	Full Time* £84,551 Approx. 392 days
Business Analyst	4				220	Full Time £48,315 Approx 224 days
Digital Solutions		1	4			£1,125 5 days
IT Trainer		5	15	2	3	£5,625 25 days
Service Desk Analyst					896	£126,492 2 Full Time 896 days
Service Desk Lead		5		5	110	£20,400 120 days
Service Desk Admin					448	£45,062 Full Time 448 days
TOTAL DAYS	16	11	19	7	2057	2110

IT staffing costs are estimated at £332k over the 2 years of implementation. This includes a charge for Project Management based on 75% of 1.0 FTE for 2 years.

Item	Unit Cost / Quantity	Total Costs	Annual / Recurring Costs
Laptops/Standard Tablet*	1700 @ £775	£1,317,500	N/A
Base Units	350 @ £350	£157,500	N/A
Enhanced Tablets**	50 @ £1089	£54,450	N/A
Additional Charger***	500 @ £24	£12,000	N/A
Laptop bags	100 @ £15	£1,500	N/A
Total Costs		£1,542,950	

*Laptop/standard tablet cost includes laptops (£700), Adaptor (£25) and Warranty (£50)

** Enhanced tablet cost includes tablet (£975), Travel Hub (£39), Warranty (£75)

*** Additional chargers based at approx.. 40% of total laptop/tablet refresh

The above costs are based on Enterprise class devices which are required by the Council as these are designed to last in a full time working environment for a five year period.

7. LEGAL IMPLICATIONS

The procurement process used under the CCS framework complies with the requirements of the Council's Contract and Procurement rules and the Public Contracts Regulations 2015.

8. RESOURCE IMPLICATIONS

The business case includes costs for temporary members of staff for the project. There will be an impact to some existing staff within the department which will be mitigated through work planning and project prioritisation.

9. EQUALITY AND HEALTH IMPLICATIONS

Please select one of the options below. Where appropriate please include the hyperlink to the EIA.

Option 1 Equality Impact Assessment (EIA) not required – the EIA checklist has been completed.

Option 2 In determining this matter the Executive Member needs to consider the EIA associated with this item in advance of making the decision. *(insert EIA link here)*

Option 3 In determining this matter the Executive Board Members need to consider the EIA associated with this item in advance of making the decision. *(insert EIA attachment)*

10. CONSULTATIONS

Consultations have commenced with business areas and will continue over the length of the project in order to determine the most appropriate devices for staff to carry out their roles in the Council.

11. STATEMENT OF COMPLIANCE

The recommendations are made further to advice from the Monitoring Officer and the Section 151 Officer has confirmed that they do not incur unlawful expenditure. They are also compliant with equality legislation and an equality analysis and impact assessment has been considered. The recommendations reflect the core principles of good governance set out in the Council's Code of Corporate Governance.

12. DECLARATION OF INTEREST

All Declarations of Interest of any Executive Member consulted and note of any dispensation granted by the Chief Executive will be recorded in the Summary of Decisions published on the day following the meeting.

VERSION:	1
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CONTACT OFFICER:	Peter Hughes
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DATE:	21/05/2018
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BACKGROUND PAPER:	None
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