

Agenda Item No 6(d)

DERBYSHIRE COUNTY COUNCIL

CABINET

11 February 2021

**Report of the Managing Executive Director, Commissioning,
Communities and Policy**

**CONTRACT FOR CCP041
SUPPLY OF IT ACCESSORIES
(CORPORATE SERVICES)**

1 Purpose of the Report

To seek Cabinet approval under Protocol 2a of the Council's Financial Regulations to use a Crown Commercial Services (CCS) framework agreement (RM6068 – Technology Products Lot 2) for the supply of IT Accessories.

2 Information & Analysis

The current contract with XMA Ltd for IT Accessories (PC Components) commenced on 12 May 2019. This was procured via a CCS Framework (RM3733 – Technology Products 2) for a period of 2 years with an option to extend annually for a further 2 years. The awarded value of the contract was £220,000.

The Council has used the CCS Framework for the supply of IT accessories including but not limited to the following:

- **General IT Accessories** - mice, keyboards, cables, adaptors, headsets and data storage e.g. memory cards;
- **Assistive Hardware** - ergonomic mice and keyboards;
- **Digital IT Equipment** - projectors, digital cameras and dictation recorders; and
- **Mobile Phone and Telephony Accessories** - mobile phone cases, chargers and headsets.

The supply of IT Accessories is fundamental for users across the Council to enable them to work flexibly and efficiently.

Although an option to extend the existing contract is available, the Council will not be taking up this option due to an overspend of the current contract. It is

anticipated that the Council will be close to the limit in the first quarter of 2021 therefore a procurement exercise needs to commence urgently.

The reasons for the overspend include:

- The Covid-19 pandemic which led to employees working from home and requiring more accessories such as headsets for video conferencing through Skype/Microsoft Teams; and
- A policy change to replace desktop computers with laptops in order to facilitate mobile and flexible working which increased the requirement for additional accessories.

The new contract will commence as soon as possible, approximately May/June 2021 for a period of 2 years with an option to extend for a further year.

The benefits of a CSS Framework are as follows:

- Being able to purchase from any supplier within the Framework,
- A robust contract with Framework terms and conditions will be in place, which is similar to the one that the Council are currently operating under;
- There will be a continuation of a guaranteed supply of IT Accessories;
- The Council has access to competitive pricing and access to a wide range of available products and suppliers through mini competitions; and
- Reduced timescales for the re-procurement to ensure a continuity of supply of IT Accessories.

A business case for use of the CCS framework has been approved by the Director of Finance & ICT and the Director of Legal Services. The award of the contract via the CCS framework is a matter which is delegated to the Managing Executive Director, Commissioning, Communities and Policy in accordance with Protocol 2B of the Council's Financial Regulations.

3 Financial Considerations

The spend on the current contract (as at 04/11/2020) is as follows:

PC Components Contract Overall Spend - Over Awarded Limit	
Current Contract - Approved Spend (Over 4 years)	£220,000.00
Actual Spend (within 2 years)	£263,502.44
Total Over Approved Spend	£43,502.44
Percentage Over Approved Spend	19.77%

The Director of Legal Services has confirmed that, to remain compliant with the Public Contracts Regulations 2015, the overspend must not exceed 50% of the original contract value.

The table below shows the predicted spend required for the new contract term based on current spend trends;

New Contract Predicted Spend	
Year 1	£216,000
Year 2	£216,000
Year 3	£216,000
Contingency	£72,000
Total over the Contract Term (3 years)	£720,000

The funding for ICT accessories is held within departmental service budgets.

4 Legal Considerations

The Director of Legal Services is satisfied that on the basis of the information contained in the report it is appropriate to use the Crown Commercial Services Framework RM6068 which has replaced RM3733. The Director of Legal Services will advise further in relation to the terms and conditions of the call off contract.

5 Social Value Considerations

Social Value criteria have been included in the evaluation process that CCS have carried out to select suppliers for this framework agreement.

6 Other Considerations

In preparing this report the relevance of the following factors has been considered: prevention of crime and disorder, equality of opportunity, human rights, personnel, environmental, health, property and transport considerations.

7 Background Papers

Yes – Supporting Protocol 2a Business Case.

8 Key Decision

Yes.

9 Call-In (Is it necessary to waive the call in period)

No.

10 Officer's Recommendations

That Cabinet approves the use of the Crown Commercial Services Framework (RM6068 – Technology Products Lot 2) to award a contract for 2 years with an option to extend for a further year.

EMMA ALEXANDER

Managing Executive Director
Commissioning, Communities and Policy