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| To: POLICY AND RESOURCES (FINANCE & CUSTOMER SERVICES) SUB-COMMITTEE | | Subject: PROCUREMENT OF ENTERASYS TELECOMMUNICATIONS HARDWARE AND SOFTWARE |
| From: HEAD OF E-GOVERNMENT & SERVICE DEVELOPMENT | | |
| Date: 07 August 2012 | Ref: IMcK/AM | |

1 Purpose of the Report

- 1.1 The purpose of this report is to seek approval to use a Buying Solutions framework agreement as the basis for competitive tendering for Enterasys telecommunications hardware and software requirements.

2 Background

- 2.1 The Council's existing contract for these products (ITQ32550) ceased earlier this year when the upper limit of the spend permitted under the contract was reached.
- 2.2 A number of essential capital projects, requiring Enterasys hardware and software, are scheduled to commence during the current financial year.
- 2.3 The estimated total annual value of spend on Enterasys products is £150,000.

3 Tender Proposals

- 3.1 One of the main recommendations of the Review of Public Procurement in Scotland report (2006) and a key strand of the Council's procurement strategy is collaborative procurement. Accordingly it is proposed to utilise a pre-established Buying Solutions framework agreement (RM1498 - Lot 8), PSN Services framework, to procure any requirement for Enterasys products over the next three years.
- 3.2 This approach allows all participating authorities to benefit from the aggregated value of the Buying Solutions framework agreement being commercially more attractive to potential suppliers leading to improved prices and avoids duplication of effort during the procurement process.
- 3.3 Buying Solutions is the national procurement partner for UK public services. Buying Solutions enters into framework agreements with suppliers so that purchasers in the public sector may obtain value for money in their purchasing whilst being assured that their procurement is compliant with UK and EU legislation.
- 3.4 A framework agreement is an agreement with suppliers, the purpose of which is to establish the terms governing contracts to be awarded during a given period, in particular with regard to price and quantity under which specific purchases (call-offs) can be made throughout the term of the agreement. Such agreements set out the terms and conditions for subsequent call-offs but place no obligations, in themselves, on the procurer to buy anything. With this approach, contracts are formed, in legal terms, only when goods, works and services are called off under the agreement. The benefit of this kind of agreement is that, because the Council

is not tied to the agreements, it is free to use the frameworks when they provide value for money, but to go elsewhere if they do not.


- 3.5 In procuring framework agreements, Buying Solutions carries out a competition in accordance with EU procurement legislation. The evaluation criteria used in each competition is designed to ensure that framework agreements are awarded to suppliers submitting the most economically advantageous tenders, taking into account attributes including price, quality, capacity and track record.
- 3.6 The Buying Solutions framework agreement makes provision for participating organisations to maximise the value from the framework by securing their specific purchase requirements (call offs) by way of a mini competition(s).
- 3.7 Accordingly, when there is a requirement to purchase Enterasys products, the Council will conduct a 'mini competition' amongst the suppliers on the Buying Solutions framework agreement. The supplier(s) submitting the most economically advantageous response to any 'mini competition' will, subject to future committee approval where required, be awarded the contract. This approach ensures that the Council secures the best possible price/quality in service reflecting the current economic factors within the industry.

4 Corporate Considerations

- 4.1 Costs will be met from the existing capital and Service revenue budgets.

5 Recommendations

- 5.1 It is recommended that the committee;-
 - Approve the use of the Buying Solutions framework agreement as the basis for competitive tendering for Enterasys telecommunications hardware and software requirements as described in section 3.



Head of E-Government & Service Development

For further information please contact Irene McKelvey, on tel. ext. 2532

NORTH LANARKSHIRE COUNCIL - PROCUREMENT REPORTING

| | | PART A PROPOSED ARRANGEMENTS | PART B ACTUAL ARRANGEMENTS | | | | | | | | | | | | |
|----|---------------------|--|---|----|------|----|----|------|---|----|----|------|--|--|--|
| 1 | Procurement Title | ENTERASYS TELECOMMUNICATIONS HARDWARE AND SOFTWARE | | | | | | | | | | | | | |
| 2 | Description | Procurement of Enterasys telecommunications hardware and software | | | | | | | | | | | | | |
| 3 | Contract Category | Supply <input type="checkbox"/> Services <input type="checkbox"/> Works <input type="checkbox"/> | <input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> | | | | | | | | | | | | |
| 4 | Contract Type | Term <input type="checkbox"/> Framework Agreement <input type="checkbox"/> Framework Contract <input type="checkbox"/> One-off (Please note there will be ongoing software maintenance charges) <input type="checkbox"/> Other – call off from collaborative framework agreement <input checked="" type="checkbox"/> | <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input checked="" type="checkbox"/> | | | | | | | | | | | | |
| 5 | Contract Duration | <input type="text" value="36"/> Months | <input type="text"/> Months | | | | | | | | | | | | |
| 6 | Contract Start Date | <table border="1"> <tr> <td>DD</td> <td>MM</td> <td>YYYY</td> </tr> <tr> <td>31</td> <td>10</td> <td>2012</td> </tr> </table> | DD | MM | YYYY | 31 | 10 | 2012 | <table border="1"> <tr> <td>DD</td> <td>MM</td> <td>YYYY</td> </tr> <tr> <td></td> <td></td> <td></td> </tr> </table> | DD | MM | YYYY | | | |
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| | | | | | | | | | | | | | | | |
| 7 | Contract End Date | <table border="1"> <tr> <td>DD</td> <td>MM</td> <td>YYYY</td> </tr> <tr> <td>30</td> <td>10</td> <td>2015</td> </tr> </table> | DD | MM | YYYY | 30 | 10 | 2015 | <table border="1"> <tr> <td>DD</td> <td>MM</td> <td>YYYY</td> </tr> <tr> <td></td> <td></td> <td></td> </tr> </table> | DD | MM | YYYY | | | |
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| DD | MM | YYYY | | | | | | | | | | | | | |
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| 8 | Contract Extension | Is a provision being included to extend the contract? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If 'Yes', what is the maximum period of extension being sought? <input type="text"/> Months | Had a provision been included to extend the contract? Yes <input type="checkbox"/> No <input type="checkbox"/> If 'Yes', what is the maximum period of extension included? <input type="text"/> Months | | | | | | | | | | | | |

| | | PART A PROPOSED ARRANGEMENTS | PART B ACTUAL ARRANGEMENTS |
|----|---|---|--|
| 9 | Total Value | £450,000 (£150,000 x 3 years) | |
| 10 | What Procurement Route will be used? | EU Non-EU | <input checked="" type="checkbox"/> <input type="checkbox"/> |
| 11 | If EU Procurement Route to be used, which procedure will apply? | Open Restricted Other - If 'Other' please provide details below: <i>Make use of Buying Solutions framework agreement. Supplier selected via mini competition between all suppliers on Buying Solutions Framework (RM1498 - Lot 8), PSN Services</i> | <input type="checkbox"/> <input type="checkbox"/> <input checked="" type="checkbox"/> |
| 12 | If Non-EU Procurement Route to be used, which procedure will apply? | Open Restricted Approved List Other If 'Other' please provide details below: | <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> |
| 13 | What Evaluation Criteria will be used? | Lowest Price Most Economically Advantageous | <input type="checkbox"/> <input checked="" type="checkbox"/> |
| 14 | Procurement Checklist | Procurement checklist provided to Procurement Manager? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> | |
| 15 | Details of Council Officer responsible for this procurement process | Name | Alex Mitchell |
| | | Telephone | 01698 302379 |