

Finance and Resources Committee

10.00am, Thursday, 8 September 2016

Contract Award for the Supply of Tablet Devices from 20 June 2016 to 19 June 2020

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| Item number | 7.5 |
| Report number | |
| Executive/routine | Executive |
| Wards | All |

Executive summary

This report seeks approval to award a contract to XMA Ltd for the supply of Tablet Devices to the Council from 20 June 2016 to 19 June 2020. This is the adoption of the single-supplier Scottish Procurement framework (Ref. SP-16-001) which runs from 1 June 2016 to 19 June 2020.

The estimated future expenditure is approximately £1.0m per annum with a 4-year contract value of £4.0m. The contract offers estimated savings of £73.4k per annum (£293.6k over the life of the contract).

Links

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| Coalition pledges | P30 – Continue to maintain a sound financial position including long-term financial planning P49 – Continue to increase recycling levels across the city and reducing the proportion of waste going to landfill |
| Council outcomes | CP1 – Children and young people fulfil their potential |
| Single Outcome Agreement | S03 - Edinburgh's Children and young people enjoy their childhood and fulfil their potential |

Contract Award for Supply of Tablet Devices from 20 June 2016 to 19 June 2020

Recommendations

- 1.1 That Committee approves the award of a contract to XMA Ltd for the supply of Tablet Devices and associated accessories from 20 June 2016 until 19 June 2020 with an approximate spend of £4,000,000.

Background

- 2.1 The Council first identified a requirement for tablet devices in 2013 and the Council approved adoption of the Scottish Procurement single-supplier framework with XMA Ltd. This Scottish Procurement framework has recently expired and has been replaced with another framework.
- 2.2 The Cabinet Secretary for Education and Lifelong Learning gave approval in 2012 to proceed to establish a national framework to support their commitment to facilitate access to technologies to ensure that technology to support learning and teaching was maximised.
- 2.3 Also at that time there was an emerging requirement for access to these devices in the corporate environment, as well as the education environment. Scottish Procurement put in place a framework that was available to the whole of the Scottish public sector.
- 2.4 The Scottish Procurement Single-Supplier Framework for the supply of Tablet Devices has been renewed from 20 June 2016 until 19 June 2020. The renewal of the Tablet Devices framework continues that ongoing commitment from Scottish Ministers The new framework supplier is XMA Ltd.
- 2.5 The Council currently spends around £1.0m per annum on tablet devices and associated accessories, with Apple iPad devices accounting for 87% of this.
- 2.6 Education service spend accounts for 87% of the Council's total spend. The Council has purchased 10,000-12,000 iPad devices over the period of the current framework whilst uptake on other devices, such as android and windows devices, has been very small.
- 2.7 Other purchases such as tablet device covers and cables make up around 10% of the spend. Other items include extended warranties, to maximise the life of the device, as well as charger trolleys/cabinets to both secure and charge the devices.

- 2.8 Ipad devices have been utilised within classrooms to both aid and develop children. Apple devices benefit from having a significant catalogue of applications that support both teachers and students and Apple continues to develop new packages in this sector.

Main report

- 3.1 Scottish Procurement established a User Intelligence Group (UIG), consisting of representatives from 12 organisations covering all areas of the Scottish Public Sector. A sub-group was formed with representation from each sector. After extensive collaboration, both the sub-group and full UIG reached agreement that the new framework should be a single supplier, multi-product national framework.
- 3.2 To encourage maximum competition, the UIG agreed that an open tender process should be followed to establish the framework.
- 3.3 This framework was advertised on the Official Journal of the European Union (OJEU) and the Public Contracts Scotland (PCS) portal on 26th February 2016. Expressions of interest were received from 46 organisations. The closing date for tender submissions was 14th April 2016 and 4 tenders were received.
- 3.4 The price quality ratio was set at 60:40 in favour of price. Full details of sub-criteria can be seen in the Appendix to this report.
- Technical/Quality 40%
 - Commercial/Price 60%
- 3.5 The tender evaluation panel consisted of representation from:
- University of Edinburgh
 - NHS National Services
 - Fife Council
 - Scottish Government
 - Aberdeen City Council
- There was also representation from Sustainable Procurement Ltd, who provided guidance to Scottish Procurement on the social, economic and environmental content of the Framework Agreement.
- 3.6 All bids were evaluated in accordance with the published criteria as detailed above, and having calculated both the technical and commercial scores, the overall final scores achieved are provided in the table below.
- 3.7 One of the four bidders was deemed to be technically non-compliant and their bid was not further evaluated.

| Tenderer | Quality Score | Price Score | Combined Score |
|-----------------|----------------------|--------------------|-----------------------|
| XMA Limited | 29.72% | 59.94% | 89.66% |
| Bidder A | 23.59% | 60.00% | 83.59% |
| Bidder B | 23.56% | 59.74% | 83.30% |

Measures of success

- 4.1 The single framework supplier offers attractive pricing and enhanced functionality including a Punchout Solution. XMA Ltd will also recycle iPad devices which will provide credits for future purchases from XMA Ltd.
- 4.2 This framework provides flexibility for XMA Ltd to introduce new and emerging products as the technology develops.
- 4.3 The previous framework was particularly successful in terms of training, with over 2,500 teachers being trained in the use of devices for teaching and learning in the classroom. This framework will continue to allow this to take place.
- 4.4 This framework provides an increased offering of services which includes deployment services and support, mobile device management, application development and volume licensing.
- 4.5 Scottish Procurement will calculate savings for each organisation based on current market and comparable UK framework pricing for equivalent products. Spend and savings will be reported by them quarterly.

Financial impact

- 5.1 Commercial and Procurement Services has conducted a full benchmarking exercise based on the refreshed list of products available on the new framework.
- 5.2 The costs associated with procuring this contract are estimated at up to £10,000.

Risk, policy, compliance and governance impact

- 6.1 The Scottish Procurement strategy includes a robust and comprehensive assessment of all associated risk factors with mitigating actions.
- 6.2 In terms of contract performance management, Scottish Procurement will meet with the supplier on a quarterly basis to review a set of key performance indicators. CGI in partnership with ICT will be responsible for management of this contract.

Equalities impact

- 7.1 There is no relationship to the public sector general equality duty to the matters described in this report and no direct equalities impact arising from this report.

Sustainability impact

- 8.1 There are no impacts on carbon, adaptation to climate change and sustainable development arising directly from this report, however in some areas that have implemented tablet use there have been reductions in overall paper usage.
- 8.2 XMA Ltd has proposed innovative options for packaging and the re-use of packaging together with options for re-sale, re-use, repair and WEEE management in relation to framework devices.
- 8.3 There will be a minimum requirement that all ICT products meet or exceed EnergyStar 6.0 and EPEAT Gold. The successful supplier will be expected to maintain a standard of environmental protection, which meets the Scottish Government's Green ICT Policy.

Consultation and engagement

- 9.1 Due to the nature of the items being purchased via this contract there is minimal requirement for consultation and engagement. ICT colleagues and CGI have been consulted.

Background reading/external references

None.

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Links

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| Coalition pledges | P30 – Continue to maintain a sound financial position including long-term financial planning |
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| Council outcomes | P49 – Continue to increase recycling levels across the city and reducing the proportion of waste going to landfill CP1 – Children and young people fulfil their potential |
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| Appendices | Appendix 1 - Sub criteria |

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| Contract Name | Framework Contract for Supply of Tablet Client Devices - let by Scottish Procurement | | | | | | |
| Contract period | 20/6/16 to 19/6/18 with a option to extend for a further 2 years | | | | | | |
| Estimated contract value | £4,000,000 over a 4 year period | | | | | | |
| Governing UK Regulation | Public Contracts (Scotland) Regulations 2012 | | | | | | |
| EC Procedure chosen | Open | | | | | | |
| Standing Orders observed | <p>2.1.1 any existing contracts or framework contracts accessible to the Council may fulfil their requirements and provide best value</p> <p>2.3 EU Principles been applied</p> <p>3.2 Director has responsibility for all Contracts tendered and let by their Directorate</p> <p>5.1 Tenders evaluated on basis of most economically advantageous criteria</p> <p>8.1 Procurement process conducted electronically via Public Contracts Scotland Tender (PCST)</p> <p>11.1 In order to purchase from National Frameworks such as those put in place by Scotland Excel or Scottish Procurement without delay the Council may make use of the framework and make purchases under that framework subject to seeking approval to continue to use the framework at the next meeting of the Finance and Resources Committee and subject to any conditions the Committee may make.</p> | | | | | | |
| Tenders returned | 4 | | | | | | |
| Tenders fully compliant | 3 | | | | | | |
| Name of recommended suppliers | XMA Ltd | | | | | | |
| Primary criterion | Most Economically Advantageous Tender (MEAT) | | | | | | |
| Sub- Criteria | <p><u>Service Provision (45%)</u></p> <table> <tr> <td>Framework Mobilisation</td> <td>20%</td> </tr> <tr> <td>Responsiveness</td> <td>25%</td> </tr> <tr> <td>Framework Management</td> <td>25%</td> </tr> </table> | Framework Mobilisation | 20% | Responsiveness | 25% | Framework Management | 25% |
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| Framework Management | 25% | | | | | | |

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| | End of Life Management | 15% |
| | Packaging | 15% |
| | <u>Value Added Services (43%)</u> | |
| | Technical Services & Support | 25% |
| | Application Strategy & Development | 15% |
| | Mobile Device Management | 20% |
| | Training & Support | 20% |
| | Improvement Initiatives | 20% |
| | <u>Social, Economic & Environmental (12%)</u> | |
| | Environmental | 20% |
| | Social & Ethical Responsibility | 60% |
| | Workforce Matters | 20% |
| Evaluation criteria and weightings | Price - | 60% |
| | Quality - | 40% |
| Evaluation Team | University of Edinburgh, NHS National Services, Fife Council, Scottish Government and Aberdeen City Council | |
| Procurement Costs | <£10,000 | |