

**Procurement Title**

Ribblesdale High Primary Provision – New school build

**Procurement Option**

Mini-competition via third party framework through the North West Construction Hub Medium Value Framework Lot 2, established in compliance with the Public Contract Regulations 2015.

**New or Existing Provision**

New one-off project to build a new primary school.

**Estimated Annual Contract Value and Funding Arrangements**

Estimated project value is for £5m and will be funded via the capital budget using grant funding from Department for Education.

**Contract Duration**

The Agreement will be let for a twelve month build and a further twelve-month rectification period (two years in total). The new primary school is to be open and available from the commencement of the 2023/24 school year.

**Lots**

Single contract under a multi-lot framework.

**Evaluation**

The evaluation of framework providers will be undertaken against the following criteria:

Stage 1: mini-competition bid will be evaluated on

- 70% technical, quality, and social value
- 30% preliminary costs, schedule of rates, overhead and profit percentages

Stage 2: the successful tenderer from stage one will then work with all stakeholders to prepare and agree an Agreed Maximum Price (AMP) for this build within the available budget.

**Contract Detail**

Since 2015, Taylor Wimpey plc has been developing land on the former Higher Standen Farm. The new development is located on the south east perimeter of Clitheroe in the Ribble Valley. As a result of the new development there is a need for a new primary school. The Authority will be responsible for the construction of the new primary school with funding received from DFE Basic Needs. Due to ongoing developments on the site, the Authority and the future principal contractor cannot commence works on site until July 2022. The Authority intend to construct the new primary school using modular construction techniques and deliver this project within 12 months; in time for the school opening in September 2023.

The principal contractor will provide early contractor engagement insights and help design the build within the available budget and timeframe. The principal contractor will be engaged using the partnering ethos principles.

The Authority have developed a contract specifically for this project based on the JCT 2016 Standard Building Contract.

**Procurement Title**

Microsoft Enterprise Software Re-licensing

**Existing Provision**

The existing master contract supplier arrangement with Phoenix Software (a software reseller) was put in place in April 2014 for a 10-year period via the Authority's outsourced provider British Telecom Lancashire Services. The master contract was subsequently novated to the Authority on 1st April 2021 as part of the insourcing strategy for Digital Services in order to maintain a continuity of contract arrangements between the Authority and Phoenix for this strategic Authority software and it is currently scheduled to expire on 31 March 2024.

The individual Microsoft enterprise license pricing via Phoenix is agreed on a three year cycle and re-baselined year on year against our ongoing volume licensing needs. The next review is due for 01 April 2022 which also coincides with the latest scheduled Microsoft license cost increases.

**Procurement Options**

We are therefore proposing to dual tracking our sourcing options for Microsoft renewals next financial year.

Option 1

Continue using Phoenix for the next 2 Financial years until 31 March 2024. The Council reserves the right to change supplier within the 3<sup>rd</sup> year of the Microsoft Agreement.

We have pricing structure from Phoenix based on the existing inherited contract.

Option 2

Use the Crown Commercial Services (CCS) RM6068 Technology Products and Associated Services (TePAS) Lot 3 Framework via the NFC143 Aggregation procurement for a 3-year contract until 31 March 2025.

Crown Commercial Services approached us in November 2021 to ask whether we wanted to take part in their next scheduled round of Microsoft Aggregation procurement (NFC143) with other named public authorities.

In addition to Lancashire County Council, the other authorities involved in this aggregation procurement are:

- Anglia Ruskin University
- Boston Council
- Doncaster MBC
- Kent Fire & Rescue
- Leicestershire County Council
- Leicestershire Fire & Rescue
- Metropolitan Police Service
- Northamptonshire Police Authority
- Nottinghamshire City Council

- Scottish Government
- UK Health Security Agency

There is no obligation to commit once the aggregation process is concluded. This is providing us with an opportunity to benchmark the proposed commercial arrangements with Phoenix to establish whether if this procurement route could achieve a better overall value for money than we have through Phoenix.

We have already registered interest with CCS and the timescales for the aggregation project are as follows:

- LCC to engage with CCS by 26 November 2021
- LCC to provide final requirements by 7 January 2022
- CCS aggregation tender published by 11 January 2022
- CCS tender deadline by 24 January 2022
- CCS award decision by 31 January 2022

### **Proposed New Provision**

The purpose of this paper is to inform Cabinet that we will not be able to set the proposed procurement strategy until the CCS aggregation project is complete.

At this stage we can assess the credibility of an alternative option for Microsoft Software licence supply and will only have a 2-week window between the CCS aggregation award and the participating Local Authorities being required to sign the up to the process.

The outcome of the process is purely a commercial pricing one, and neither options (continuing with Phoenix or using the CCS procurement aggregation) should have any impact on the system architecture.

We request that Cabinet authorises the Chief Digital Officer (Glynn Peach) and the Head of Procurement (Rachel Tanner) to make the decision whether or not to continue our Microsoft Enterprise licensing arrangements with Phoenix or to join the CCS aggregation procurement if this is ultimately a better commercial deal.

### **Contract Duration**

Either:

For a further 2 years from 01 April 2022 until 31 March 2024, if we continue via using the novated contract with Phoenix until the expiry of the Master Supplier Agreement, and thereafter for a further year with a reseller who can offer appropriate support in compliance with Public Contract Regulations 2015.

Or:

For 3 years from 01 April 2022 until 31 March 2025, if we accept the outcome from the Crown Commercial Services aggregation procurement.

### **Estimated Contract Value**

The estimated contract value over the next 3 years is £11.7m and is funded as part of the revenue budget.

**Lotting**

Not applicable.

**Evaluation**

This will be a simple price comparison between Option 1 and Option 2 above.

**Contract Detail**

Lancashire County Council requires a comprehensive schedule of licences in order to retain the current services offered. There are in total 34 licences being considered (noting that 10 are for a volume of a single licence to lock in prices for 3 years). The licences cover Microsoft 365 E3, MS Teams voice, Windows server and SQL Licences.