

Procurement Title

Renewal of ServiceNow Licenses

Procurement Option

Reseller Further Competition via Health Trust Europe ICT Solutions 3 framework let pursuant to the Public Contracts Regulations 2015

New or Existing Provision

This is an existing software as a service solution.

Estimated Annual Contract Value and Funding Arrangements

The average annual cost of the contract is estimated to be £608,000 per annum over the 5-year term.

This is based on the current license types and quantities being used across Digital Services. This may change over the contract term and will be addressed at the appropriate time using the permitted contract variation process.

Costs over the full contract term are expected to around £3.1m and will be met by the digital services revenue budget.

Contract Duration

The Agreement will be let for an initial period of 3 years with a further 2 x 12-month optional extension periods. The potential total contract length is therefore 5 years in total.

The potential for a long-term contract recognises the significant cost of change and return-on-investment duration. LCC would have the option to reprocure rather than extend the arrangements through any of the options to extend, should this be the appropriate course of action.

Lots

A single solution allows LCC to maximise our full buying power through economies of scale. Disaggregating our requirements into multiple contracts would prevent value for money being achieved through competitive pricing in the reseller market. Additionally, as a core system, LCC aims to align with a partner organisation that will continuously develop their solution to adhere to and exceed best practice.

Evaluation

All framework suppliers will be invited to bid, with their submissions being evaluated on the basis of the following criteria and weightings:

- 90% Price
- 10% Social Value

As an incumbent solution, qualitative criteria are not required. The highest scoring tenderer will be awarded the contract.

Contract Detail

ServiceNow provides a solution that enables ITIL based IT Service Management processes including incident/problem management mapping of software, hardware and business services in a Configuration Management Database, in conjunction with Strategic Portfolio Management that allows organisations to plan, prepare and execute strategic priorities from change requests/demands through to programme and project delivery on a single data model.

Incident and problem management is a key function of the ServiceNow tool which is key to ensuring our Digital Services run smoothly, keeping staff disruption to a minimum and helping get back to business as usual quickly.

Strategic Portfolio Management and Agile Teams also enables agile development and test management to manage and track development lifecycles and streamline testing processes respectively.

Digital Services also utilise ServiceNow for Integrated Risk Management which provides policy and compliance management, risk management to appropriately prioritise and respond to risks, and compliance case management.

The ServiceNow instance also includes Integration Hub which provides pre-built extensions such as Oracle Fusion, and Microsoft Dynamics which automate processes across both corporate aspects of the Council and Education Services.

The cost of change and disruption to service means that it is not feasible to look at alternative solutions as part of this procurement exercise.

There has been significant investment in the ServiceNow platform over recent years to configure the platform to our requirements to enable delivery of value to Digital Services and the wider Authority. Any change of solution would likely incur a duplication of this time and cost.

The system is also heavily integrated with several other applications which again would cause disruption across the service as well as a duplication of time and cost if the solution were changed.

The future contract will be let on an overall term of 5 years as described earlier in this report. This will allow Digital Services to continue using the platform to provide a high-level service to both staff and residents over the coming years. The platform will also embrace changes and enhancements in technology to ensure it is maximising the benefits of automation and AI to deliver efficiencies in processes and ultimately a better service.

The contract will be let following a competitive tendering process completed via the Health Trust Europe ICT Solutions 2013 framework, which includes several IT Resellers. The Reseller channel, as well as this framework is a popular and compliant route to market for ServiceNow licenses. The framework allows for a longer contract term which is what LCC require as well as robust Terms & Conditions that have been reviewed and approved by Legal.

ServiceNow have strong relationships in place with several IT Resellers as demonstrated by our current contract which is via Softcat PLC.

Current/future license costs will be very competitive and will be benchmarked against the CCS ServiceNow MoU which caps pricing for Public Sector customers. Current license costs are between 17% - 34% lower than the MoU cap.

Legal

The opportunity is being procured via the Health Trust Europe ICT Solutions 3 framework and offered to resellers on the framework via a mini competition. The Health Trust Europe ICT Solutions 3 framework is a compliant route to market, and the call-off contract will be awarded in accordance with Regulation 33 of the Public Contracts Regulations 2015.

Legal Services will work with the successful provider to complete the framework terms and conditions in accordance with the Health Trust Europe framework defined processes.

Procurement Title

Acceptance and Disposal of Waste Upholstered Domestic Seating containing Persistent Organic Pollutants Services

Procurement Option

Open Procedure compliant with the Public Contract Regulations 2015

New or Existing Provision

New (formalises existing provisional measures)

Estimated Annual Contract Value and Funding Arrangements

£1.1million per annum.

£4.5million total over four years (factoring in an estimated 2% inflationary increase each year). To be funded from the Waste Management Group revenue budget.

Contract Duration

The maximum total duration of the agreement will be four years. This will be split as an initial two year term with the option to extend for any number of defined periods up to a maximum of two further years.

Lots

Lots have been discounted. There is a limited market for the acceptance of waste upholstered domestic seating containing persistent organic pollutants and splitting the tonnage volumes into smaller lots may make the contract unattractive to potential bidders.

Evaluation

Due to the precise specification of the requirements and contract terms, there is little scope for suppliers to provide the services in alternative ways. Therefore, the focus for quality assessment will focus upon ensuring suppliers are compliant with facility requirements such as having necessary planning permission and environmental permits in place to undertake the services, as well as obtaining a statement that describes how they propose to recover/dispose of the waste upholstered domestic seating containing persistent organic pollutants that is compliant with Environment Agency regulations.

- Selection Criteria to include additional questions covering health and safety: Pass/Fail.
- Quality - Provider Facility Details and Method Statement describing disposal/recovery operations: Pass/Fail.
- Quality – Social Value: 10%.
- Price – factoring in gate fee and Authority transportation costs: 90%.

Contract Detail

On the 1 January 2023 new guidance came into effect regarding the process of storing and disposal of Waste Upholstered Domestic Seating including banning landfill as a disposal option. This came about because of a study commissioned by the Environment Agency that highlighted the presence of persistent organic pollutants in upholstered domestic seating. The study highlighted that the average concentration of Brominated Flame Retardants, and other persistent organic pollutants, found in items of upholstered domestic seating can be four times higher than the legal concentration limit – or threshold limit - of 1000 mg/kg.

Items classed as waste upholstered domestic seating include sofas, sofa beds, armchairs, kitchen & dining room chairs, stools & foot stools, office chairs, beanbags, floor & sofa cushions, and futons. This list includes any made part of or containing leather, synthetic leather, other fabric, or foam.

Lancashire County Council is the Waste Disposal Authority for the administrative county of Lancashire. LCC operates and manages fifteen Household Waste Recycling Centres and one Community Recycling & Re-use Centre, where Waste Upholstered Domestic Seating waste may be deposited by members of the public. LCC is also responsible for the management of wastes collected by Waste Collection Authorities from households in Lancashire and operates two waste transfer stations at Preston and Middleton.

Waste upholstered domestic seating is a household waste that LCC must make arrangements for the recovery/disposal of. LCC must not landfill items of waste upholstered domestic seating, or wastes arising from their treatment, that may contain persistent organic pollutants. Instead, LCC must send the waste upholstered domestic seating containing persistent organic pollutants to a suitably authorised disposal or recovery site that can destroy; or irreversibly transform the persistent organic pollutants. Typically the disposal/recovery site will be an incineration facility.

Since January 2023, LCC has been operating an informal agreement to manage the disposal of waste upholstered domestic seating via incineration. These arrangements were a temporary measure (the Environment Agency brought the guidance in at relatively short notice) whilst LCC adjusted its waste management operations to accommodate separating out waste upholstered domestic seating from general waste destined for landfill.

A formally procured contract is now required to comply with Public Contracts Regulations 2015.

Legal

The opportunity will be offered via Open Procedure in accordance with Regulation 27 of the Public Contract Regulations 2015.

The contract will take the form of a framework agreement on Lancashire County Council terms drafted by Legal Services.

Procurement Title

Agency Staff Neutral Vendor Managed Service and Workforce Solutions.

Procurement Option

Further Competition via Eastern Shires Purchasing Organisation (ESPO) Managed Services for Temporary Agency Resources framework (MSTAR4)

New or Existing Provision

Existing – current contract end date 01/03/2025

Estimated Annual Contract Value and Funding Arrangements

Approximately £15,000,000 per annum, £60,000,000 over four year contract term. Payments in relation to agency staff are transferred to the appropriate service revenue budget. The majority of the cost relates to the candidates pay, statutory fees (including national insurance and pension payments) and the recruiting agency fee. The managed serviced provider fee is charged at an hourly fixed pence margin for each placement and represents a small proportion of the overall contract value. Further detail concerning the fee structure is set out in Appendix 'B'.

Contract Duration

Initial period of 24 months with an option to extend the contract beyond the initial term to a maximum of a further 24 months.

Lots

Not applicable. The contract will be delivered via a neutral vendor, managed service provider model. The provider will manage a supply chain of approximately 62 recruitment agencies to fulfil placements for a variety of job categories.

Lotting the contract into specific job categories would undermine the neutral vendor model and create an unnecessary administration burden on LCC (for example training managers on different provider systems, processing invoices from multiple providers etc.).

Evaluation

The ESPO MSTAR4 framework allows for a further competition and is compliant with UK procurement legislation and removes the need to run a full open procurement process. All providers on the framework have been assessed for their financial stability, track record, experience and technical and professional ability. All providers will have been scored against price, quality and social value.

The further competition allows LCC to develop a specification that meets the needs of the service and ensure that providers can meet those requirements, whilst achieving best value.

The further competition bids will be evaluated based on:

- 50% technical and quality proposal
- 10% social value commitment
- 40% whole contract life costing

Contract Detail

LCC employs up to 12,594 staff and requires agency staff to complement and fill vacancy gaps in the workforce at any given time. This may be across work profession categories such as administration, engineering, environmental, facilities management, legal, procurement, and social work, covering various levels, from lower grades to senior management. As such, a variety of agencies is required to fulfil such a varied and diverse workforce requirement.

A managed serviced provider will take responsibility for LCC's temporary staffing requirements rather than LCC managing a selection of agencies themselves. The MSP manages the procurement, placement and payment arrangements of the agency workers assigned by those supplying agencies.

Benefits of using a managed serviced provider include:

- Reduction in costs through economies of scale, efficiency savings, standardised fees
- Single point of contact
- Streamlining of invoicing
- Structured management information and reporting
- Agreed key performance indicators to drive improved service
- Robust compliance checks
- A more resilient service with access to multiple agencies
- Good opportunity for local and SME providers within supply chain

A neutral vendor managed serviced provider manages the supply chain but does not necessarily supply any temporary agency workers themselves. The neutral vendor managed serviced provider may request temporary agency workers from subsidiary or associated companies but must ensure that these companies do not receive more favourable treatment than other agencies, as well as ensuring that the customer is only contracted to the neutral vendor managed serviced provider and not the agencies directly. All agencies must be on the same fair terms and conditions.

LCC currently has a neutral vendor managed serviced provider contract with Matrix SCM Ltd, which commenced 2 March 2021 and expires 1 March 2025.

The Talent and Performance Team within People Service manage the contract and intend to continue to use the neutral vendor model with the inclusion of additional services for the management and supply of agency staffing including Payroll Services, International Recruitment, Project Delivery, Compliance Checks, Contingent Workforce, Permanent Recruitment and Talent Pools ensuring the one contract will meet the agency recruitment needs of LCC until 2029. It is possible to use the Eastern Shires Purchasing Organisation Managed Services for Temporary Agency Resources framework for this purpose.

A review of the procurement options was undertaken, it was agreed that the Eastern Shires Purchasing Organisation Managed Services for Temporary Agency framework offers a compliant and most appropriate procurement route to market.

As a result of the evaluation, the recommended procurement option is to conduct a further competition via the Eastern Shires Purchasing Organisation Managed Services for Temporary Agency Resources framework ensuring the successful provider will be able to meet all the service requirements and offer best value to LCC.

Legal

The Eastern Shires Purchasing Organisation ("ESPO") Managed Services for Temporary Agency framework is a compliant route to market, and the call-off contract will be awarded in accordance with Regulation 33 of the Public Contracts Regulations 2015.

Legal Services will work with the successful provider to complete the framework terms and conditions in accordance with the ESPO framework defined processes.

Procurement Title

Responsive Minor Adaptations

Procurement Option

Above Threshold - Open Tender Procedure compliant with the Public Contracts Regulations 2015

New or Existing Provision

Existing contract due to expire on 31st March 2025.

Estimated Annual Contract Value and Funding Arrangements

Estimated spend for Year 1: up to £2m

Estimated Total Contract Value including discretionary extension periods: up to £10m

Tenderers will submit a price for year one of the contract. LCC will apply an annual inflationary uplift in accordance with the annual rate of CPI.

Commissioning have sought approval from the budget holder to proceed with the procurement.

Contract Duration

3-year initial term with the option to extend by any number of defined periods provided that the total contract term does not exceed 5 years.

Lots

Currently the district councils in Chorley, Wyre and Lancaster perform the service in their respective areas through collaboration agreements with the Council. Services in the remaining 9 districts are currently delivered by 3 economic operators. The intention is to reduce the number of Lots, from the current 12 district-based model to 3 place-based localities as below to align with the Integrated Care System (ICS) footprint.

- **North** Lancashire: Lancaster, Fylde and Wyre.
- **Central** Lancashire: Preston, Chorley, South Ribble, and West Lancashire.
- **East** Lancashire: Burnley, Rossendale, Hyndburn, Ribble Valley and Pendle.

By transitioning from 12 Lots (one contract per district) to 3 Lots (one contract per area) it is the intention to streamline the County Council's administrative processes, enhance coordination, and improve efficiency. This consolidation would allow the Council to allocate administrative resources more effectively and ensure timely service delivery. Furthermore, separating the services into three lots is expected to encourage greater competition and full geographical coverage across the Lancashire footprint, based on learning from the previous procurements where there was limited interest in some district areas.

Evaluation

Quality Criteria 60%	Financial Criteria 40%
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10% of the quality criteria will be focussing on the Social Value policy.

This process includes a pass/fail Selection Criteria Questionnaire.

The intention is to require tenderers to submit a price for each core adaptation and for each referral type.

Urgency-based pricing will acknowledge the varying needs of the people supported and will ensure that all referrals are dealt with within the specified timeframes as well as incentivising timely completion.

Contract Detail

Lancashire County Council requires service providers to undertake/arrange minor adaptations which have been assessed by an Occupational Therapy (OT) Assessor as

being necessary and appropriate to assist with nursing at home or aiding daily living.

This service will ensure that all minor adaptations, which LCC is required to provide pursuant to The Care and Support (Charging and Assessment of Resources) Regulations 2014, are included within the scope of this contract. A minor adaptation is any adaptation intended to assist with nursing at home or aiding daily living, the value of which does not exceed £1,000.

The aim of the responsive minor adaptations service is to enable individuals to live independently and remain in their own homes for as long as possible.

The objectives of the service are as follows:

- To support the ongoing care and wellbeing needs of local residents, to reduce the likelihood of admission to long term care or hospital;
- To ensure personal safety and security;
- To maintain a tenancy/accommodation; and
- To keep people healthy and improve their health and wellbeing.

LCC procure both core and bespoke minor adaptations valued at £1,000 or less. The majority of adaptations currently regarded as 'bespoke' will be standardised and included within the list of core minor adaptations (where they are valued at £1,000 or less), however, some bespoke minor adaptations will remain.

The 12 Lancashire District Councils are responsible for completing adaptations costing more than £1,000 using the allocated DFG (Disabled Facilities Grant). All referrals for adaptations over £1,000 will be redirected to the district councils so that they can leverage local expertise, give access to specialist contractors, assess eligibility and tailor adaptations. This ensures targeted support for home adaptations, access to technical expertise and DFG-funded changes, that promote independent living and safety. This change will also enable LCC to complete more minor adaptations in homes, within the allocated budget.

Legal

As set out above, this procurement is for a service which the Council is statutorily required to provide. The procurement is 'above threshold' and therefore opportunity will be offered via Open Procedure in accordance with Regulation 27 of the Public Contract Regulations 2015.

Legal services have been involved in reviewing the draft specification and will draft contracts for the lots, prior to the publication of the invitation to tender.

Procurement Title

Traditional Surfacing and Associated Services

Procurement Option

Open Tender Procedure compliant with the Public Contract Regulations 2015.

New or Existing Provision

Renewal of existing requirements currently under contract but due to expire on 1 November 2024.

Estimated Annual Contract Value and Funding Arrangements

The estimated value of the works to be procured through the framework is £1,500,000 per annum. The estimated total value of call-off contracts let under the Framework over four years is £6,000,000.

Funding is to be made available from the revenue and capital budgets for Highways depending on the scheme.

All the funding has been secured and is available for this project.

Framework Duration

The Framework will be awarded for a four-year period commencing in November 2024.

Lotting

The framework will include 5 Lots.

- Lot 1 – Full Paving Team
- Lot 2 – Machine Patching Team (Mini paver)
- Lot 3 – Machine Patching Team (Full size carriageway paver)
- Lot 4 – Hand Patching Team
- Lot 5 – Hot Rolled Asphalt Chipper and Team

Schemes when identified would be allocated to the appropriate Lot.

Contractors are able to bid for and be appointed to one or more of the Lots. Each Lot shall be ranked based on the tender scores for the successful contractors for each Lot. Work will be offered to the first ranked contractor. Highways will contact the contractors in ranked order until work is appointed.

Evaluation

The Framework Agreement will be established by evaluating tender bids against the following criteria:

Stage 1: Supplier Questionnaire (Pass/Fail)

The Common Assessment Standard (CAS) Questionnaire will be used to evaluate suppliers against the following criteria: mandatory and discretionary grounds, economic and financial standing, technical and professional capability questions, relevant experience, Health and Safety and Quality Assurance. Each tenderer must pass this stage before proceeding to stage 2.

Stage 2: Award Stage:

The evaluation will be based on

20% Quality Criteria

10% will consist of a technical questionnaire which will cover Health and Safety including environmental concerns relevant to the works

10% Social Value

80% Price.

The Price evaluation will be of submitted rates for the works required as part of the framework (based on estimated quantities) and will be evaluated per Lot.

Stage 3: Verification of the Selection Questionnaire (Pass / Fail)

Prior to award successful bidders will be required to submit documents to support the answers provided in the Selection Questionnaire (Stage 1)

Background

The Highways Service have an ongoing requirement for the road repair works undertaken by traditional surfacing methods including machine patching, hand patching and a hot rolled asphalt chipper and team. The works are required across Lancashire.

The primary types of repairs are reactive repairs to general erosion of the road surfaces, such as potholes or unexpected degradation of the surface following accidents. This framework will include the machinery and skilled labour required to carry out the repairs on the highways.

The LCC Highways Team carry out some surfacing works through its in-house team. However, due to the high level of surfacing works required, LCC does not have the capacity to undertake all required surfacing works itself. The Framework Agreement appoints contractors with the required skills and machinery to provide additional support to the LCC Highways Teams to ensure the road surfaces are maintained.

Framework Detail

There shall be no maximum number of contractors appointed to the new framework. This will encourage competition and ensure the availability of contractors when works are required.

The contractors will be required to meet the LCC Specification which will be updated for the tender. The Specification will outline the standards contractors are expected to work to and the equipment required.

There are currently 5 contractors appointed to the current Framework and it is anticipated that those 5 contractors will tender for the upcoming Framework.

The Framework will allow contractors to submit revised pricing to LCC on an annual basis. LCC will request evidence for any increase to the rates and acceptance of revised pricing (whether that be increases or decreases to the price) will be at the discretion of LCC. This will create internal competition within the Framework.

Each year, those revised prices will be used to re-evaluate the contractors and rankings for each Lot for the following year.

Legal

The opportunity will be offered via Open Procedure in accordance with Regulation 27 of the Public Contract Regulations 2015.

The contract will take the form of a framework agreement on Lancashire County Council terms drafted by Legal Services.