



LONDON FIRE BRIGADE

Report title

Procurement of Foundation Software Licensing

Report to

Corporate Services Directorate Board
Commissioner's Board
Deputy Mayor Fire and Resilience Board
London Fire Commissioner

Date

7 December 2021
14 December 2021
18 January 2021

Report classification

For Decision

The subject matter of this report deals with the following LFB strategic priorities :

Delivering excellence Seizing the future

The strategic driver for this proposal would align with the strategic pillars 'Seizing the future' and 'Delivering Excellence' and in particular would support the aims – *'constantly improving effectiveness of our service'* and *'improved execution'*; for the reasons outlined in this paper

Report number – LFC-0644y

PART I - NON-CONFIDENTIAL FACTS AND ADVICE TO THE DECISION-MAKER

I agree the recommended decision below.

Andy Roe
London Fire Commissioner

Date

This decision was signed
remotely on the 21 March 2022

Executive Summary

his report seeks the approval of the Deputy Mayor for Fire and Resilience for the London Fire Commissioner (LFC) to commit revenue expenditure for the purposes of procuring foundation software licensing services for a period of up to three years, with options to extend by a further two years from February 2022. 'Foundation software' refers the range of software products that come together in the ICT environment to keep it running effectively and securely.

The LFC intends to award a contract to a single organisation to act on behalf of the LFC, for the provision of a range of foundation software licences, via a call off contract. The contracts will be designed to include software which has a low user base and/or is highly specialised, covering specialisms such as IT Service Management and software tools for network staff. The scope of the contract will cover server, cloud and desktop environments.

The London Fire Commissioner Governance Direction 2018 sets out a requirement for the London Fire Commissioner to seek the prior approval of the Deputy Mayor before “[a] commitment to expenditure (capital or revenue) of £150,000 or above as identified in accordance with normal accounting practices...”.

For the Deputy Mayor

That the Deputy Mayor for Fire and Resilience authorises the London Fire Commissioner to commit revenue expenditure of up to the amount set out in the Part 2 report for the purposes of procuring foundation software licensing services for a period of up to three years, with options to extend by a further two years from February 2022.

This LFC decision will only be taken after further consultation with the Greater London Authority’s finance and legal advisers and Corporate Investment Board.

For the London Fire Commissioner

The London Fire Commissioner agrees to commit revenue expenditure of up to the amount set out in part 2 of this report for the purposes of procuring foundation software licensing for a period of up to three years with options to extend by a further two years from February 2022.

The London Fire Commissioner delegates authority to the Assistant Director Technical and Commercial to award a contract for the provision of foundation software licensing after completion of a procurement exercise via the London Procurement Partnership (LPP) Information Management & Technology (IM&T) Framework CCS framework agreement.

1. Introduction and background

- 1.1. Report LFC-0644y to the London Fire Commissioner (LFC) sets out the background for the request to approve expenditure for the London Fire Brigade (LFB) to commit revenue expenditure of up to the amount set out in the Part 2 report for the purposes of procuring foundation software licensing services for a period of up to three years, with options to extend by a further two years from February 2022. 'Foundation software' refers the range of software products that come together in the ICT environment to keep it running effectively and securely.
- 1.2. The LFC intends to tender (under a London Procurement Partnership (LPP) framework) for the supply of a range of foundation software licences that will obviate the need for individual procurement actions which can consume significant amounts of procurement staff time but also to ensure that purchases are subject to proper market testing.
- 1.3. The target software covered by the contract is predominantly low user base or highly specialised items and falls into the following broad categories:
 - Accessibility - specialised software, designed to enable use of a computer by a person with a disability or impairment this includes text-to-speech, closed-captioning, and keyboard shortcuts.
 - Data management and administration, such as records management, disaster recovery and intelligent data management, permissions management.
 - Network, including discovery, traffic monitoring and management.
 - Desktop software, which includes design, image management and other creative industries products.
 - Software development for visual modelling and software design, user virtualisation and controls.
 - Server, covering scripting, remote access, backup, monitoring, support, device management, virus/malware protection, website security.
 - Service management (helpdesk) software. The contract also provides for software asset management (SAM) tool to be implemented by the chosen supplier (which is discussed in more detail below).
- 1.4. The contract provides for the implementation of a managed service SAM tool. The SAM tool will be used by the supplier to automate many of the tasks required to maintain compliance with software license agreements (ensuring the LFC is licensed for the number of software licences in use for a particular product) and maintain control over software spending.
- 1.5. The SAM tool will manage entitlements from enterprise license agreements, purchases and other records to automatically determine and optimise license position against discovered software. SAM tools manage software entitlement, in lieu of using spreadsheets, coping with the complexity of modern software-licensing schemes. This managed service, includes configuration and implementation, a telephone/online licence advisory service, a reporting tool, quarterly management presentations, and a licence dashboard solution.

2. IT service management tool

- 2.1. Amongst the software covered by the contract is the supply an IT Service Management (ITSM) tool and a range of network monitoring tools. Amongst other things, an ITSM supports the ICT service desk with the logging and resolution of problems and issues. The tool will also aid the publication of frequently asked questions (FAQs) about regular recurring issues. The software largely supports the ICT service desk and problem resolution operations.

3. Objectives and expected outcomes

- 3.1. The objective of this report is to seek authorisation to commit expenditure to award a contract for the provision of foundation software licensing, following a procurement exercise, in time a for seamless transition to a new contract when the existing contract ends in February 2022.
- 3.2. The contract value has been based on historic costs incurred in support of these applications. Over the life of the contract the LFC can expect the software base to change in response to evolving business requirements and in response to organisational change, with a number of the products, currently in use also likely to be removed from service.
- 3.3. The estimated total value of the contract over a five-year period (three years with an option to extend by two years) is set out in part 2 of this report, together with an annual breakdown and contingency amount.
- 3.4. There is provision in the ICT base budget to cover the cost of licences for the software products to be purchased under the contract as outlined in this paper.
- 3.5. The software arena is constantly evolving as are the demands on the overall ICT environment to deliver the solutions required to transform the organisation. A significant element of this is likely to be a general growth in devices which in turn require additional software licences and subscriptions. It is prudent to include an element of growth of the software base in the overall contract estimate.
- 3.6. The resulting contract is expected to maintain the integrity and compliance of the software environment whilst providing the flexibility required to change and adapt it, in a timely fashion, without putting undue pressure on the procurement teams, but maintaining an appropriate level of market testing, with the appointed partner acting as a conduit to the wider software market. The contract will not tie the LFC to any particular product or technology.

4. Equality comments

- 4.1. The LFC and the Deputy Mayor for Fire and Resilience are required to have due regard to the Public Sector Equality Duty (section 149 of the Equality Act 2010) when taking decisions. This in broad terms involves understanding the potential impact of policy and decisions on different people, taking this into account and then evidencing how decisions were reached.

- 4.2. It is important to note that consideration of the Public Sector Equality Duty is not a one-off task. The duty must be fulfilled before taking a decision, at the time of taking a decision, and after the decision has been taken.
- 4.3. The protected characteristics are: age, disability, gender reassignment, pregnancy and maternity, marriage and civil partnership (but only in respect of the requirements to have due regard to the need to eliminate discrimination), race (ethnic or national origins, colour or nationality), religion or belief (including lack of belief), sex, and sexual orientation.
- 4.4. The Public Sector Equality Duty requires decision-takers in the exercise of all their functions, to have due regard to the need to:
- eliminate discrimination, harassment and victimisation and other prohibited conduct
 - advance equality of opportunity between people who share a relevant protected characteristic and persons who do not share it
 - foster good relations between people who share a relevant protected characteristic and persons who do not share it.
- 4.5. Having due regard to the need to advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to:
- remove or minimise disadvantages suffered by persons who share a relevant protected characteristic where those disadvantages are connected to that characteristic
 - take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of persons who do not share it
 - encourage persons who share a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.
- 4.6. The steps involved in meeting the needs of disabled persons that are different from the needs of persons who are not disabled include, in particular, steps to take account of disabled persons' disabilities.
- 4.7. Having due regard to the need to foster good relations between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to :-
- tackle prejudice
 - promote understanding.
- 4.8. An Equality Impact Assessment (EIA) has not been completed for this report as there will be no impact on any groups with protected characteristics. The outcome of the procurement will be a new software contract that will therefore be transparent to users.

5. Other Considerations

5.1. Workforce comments

There are no plans for workforce consultation as a result of this report.

5.2. Sustainability comments

Due to the potential contract value additional sustainability and responsible procurement requirements will be included within the tender including the requirement for bidders to have in place an organisational Carbon Reduction Plan aimed at achieving net zero carbon emissions by 2050.

5.3. Procurement comments

Following a review of the frameworks currently available it has been decided that the best route to market will be the use of the London Procurement Partnership (LPP) Information Management & Technology (IM&T) Framework, Lot 4.9 – Software Asset Management. This framework allow for a three year contract with options to extend by a further two years. There are six suppliers in this lot which all offer the following services:

- Provision of Software Asset Management Services.
- Assistance with strategically tracking and managing the financial, licensing and contractual aspects of IT software assets through their lifecycle.
- In-scope products and services include but are not limited to:
 1. Software acquisition and sourcing strategies;
 2. Data destruction strategies;
 3. Identification of unused or infrequently used assets;
 4. Maintaining accurate records of technology lifecycle costs;
 5. Flagging of technology lifecycle risks;
 6. Consolidation of software licences or proposals for new licensing models.

8. Financial comments

8.1 The report seeks authority to commit expenditure to enter an award of contract for the provision of a range of foundation software licences, via a call off contract. It is expected that costs will be contained within existing budgets and further comments on finance is incorporated in Part 2 of this report.

9. Legal Comments

9.1 Under section 9 of the Policing and Crime Act 2017, the London Fire Commissioner (the "Commissioner") is established as a corporation sole with the Mayor appointing the occupant of that office. Under section 327D of the GLA Act 1999, as amended by the Policing and Crime Act 2017, the Mayor may issue to the Commissioner specific or general directions as to the manner in which the holder of that office is to exercise his or her functions.

9.2 By direction dated 1 April 2018, the Mayor set out those matters, for which the Commissioner would require the prior approval of either the Mayor or the Deputy Mayor for Fire and Resilience (the "Deputy Mayor").

9.3 Paragraph (b) of Part 2 of the said direction requires the Commissioner to seek the prior approval of the Deputy Mayor before "[a] commitment to expenditure (capital or revenue) of £150,000 or

above as identified in accordance with normal accounting practices...". The decision to purchase new foundation software licences and extending existing ones for the value set out Part 2 which exceeds the financial threshold referred to above will therefore require approval from the Deputy Mayor.

- 9.4 The proposed recommendation is also for the London Fire Commissioner to delegate authority to the Assistant Director Procurement and Commercial to make final award of contracts, which is permitted under Part 4 of the LFC Scheme of Governance.
- 9.5 The statutory basis for the actions proposed in this report is provided by sections 7 and 5A of the Fire and Rescue Services Act 2004 ("FRSA 2004"). Section 7 (2)(a) FRSA 2004 the Commissioner has the power to secure the provision of personnel, services and equipment necessary to efficiently meet all normal requirements for firefighting. Section 5A also allows the Commissioner to do anything incidental or indirectly incidental to his functional purposes.
- 9.6 The report confirms the relevant software licences will be procured via a call-off framework under the London Procurement Partnership (LPP) Information Management & Technology (IM&T) Framework, which is permitted under the Public Contract Regulations 2015.
- 9.7 The software licences will ensure the Brigade staff can continue to operate effectively and efficiently in their day to day activity.

List of Appendices

Appendix	Title	Open or confidential
1.	None	

Part 2 Confidentiality: Only the facts or advice considered to be exempt from disclosure under the FOI Act should be in the separate Part 2 form, together with the legal rationale for nonpublication.

Is there a part 2 form – YES

ORIGINATING OFFICER DECLARATION:

Drafting
officer to
confirm the
following
(✓)

Drafting officer

Phil Freestone has drafted this report and confirms the following:

Assistant Director/Head of Service

Julian Martin has reviewed the documentation and is satisfied for it to be referred to Board for consideration

Advice

The Finance and Legal teams have commented on this proposal.