

North Lanarkshire Council Report

Finance and Resources Committee

Does this report require to be approved? Yes No

Ref: NLC-CPT-25-084

Date: 04 March 2026

Contract Award for Provision of LAN / SAN Hardware Supply & Maintenance 2026-2029

From Greg Telfer, Chief Officer (Finance and Technology)

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Executive Summary

In accordance with the council's General Contract Standing Orders (GCSOs), the Committee is asked to approve the award of a contract for Provision of LAN / SAN Hardware Supply & Maintenance (the 'Agreement') following the undertaking of a procurement procedure as detailed within this report below.

Recommendations

It is recommended that the Finance and Resources Committee:

- (1) Approves the award of the Agreement to Virgin Media Business Limited (the "Contractor") at the maximum value of Six Million Seven Hundred Thousand Pounds Sterling (£7,994,000) exclusive of VAT across the Agreements full term which is made up of a period of 36 months that is anticipated to commence on 01 April 2026.

The Plan for North Lanarkshire

Priority Improve North Lanarkshire's resource base

Ambition Statement (18) Ensure our digital transformation is responsive to all people's needs and enable access to the services they need

Programme of Work Digital North Lanarkshire

1. Background

1.1. The purpose of this Agreement is for the Council to purchase and maintain network products, servers, storage and relevant services. The network products can be hardware or software based and include the following:

- Provision of LAN/WLAN hardware maintenance and support;
- Switches;
- Firewalls;
- Wireless LAN controllers;
- Monitoring tools;

- Servers & Storage hardware;
 - Support training of in-house staff accredited (install/basic repair);
 - Cisco Enterprise Agreement licenses;
 - Security EA licenses; and
 - Networking Infrastructure EA (Switching)
 - Consultancy
- 1.2. The agreement included the continued support and maintenance of the Council's existing networking hardware.
- 1.3. The Council is looking to procure ad-hoc hardware throughout the lifetime of the contract through a capital investment which has been approved within Council budgets. The Council has reviewed the current estate, taking on board the end-of-life support dates, to project the anticipated volumes for hardware procurement.
- 1.4. The Council aims to implement a standardised switching model tailored to building size and functional requirements.
- Small buildings** (e.g., nurseries, local libraries)
Medium buildings (e.g., primary schools, social work facilities)
Large buildings (e.g., high schools, corporate headquarters)
- 1.5. Our vision is to create a smarter, more agile working environment where wireless connectivity is prioritised to enhance flexibility and user experience. However, we recognize that a robust and scalable switching infrastructure is fundamental to supporting this approach and ensuring reliable performance across all sites.
- 1.6. The requirements within the Agreement are currently under contract with Virgin Media Business Limited. This arrangement is due to expire on 31 March 2026 with the Agreement detailed within this report due to supersede it. Under the existing arrangement, a significant refresh of networking hardware was undertaken to replace legacy equipment that was no longer supported. The forthcoming agreement maintains this approach by incorporating a hardware call-off provision, delivering an end-to-end service for supply, support, and maintenance.
- 1.7. To enable appropriate development and execution of the procedure required to form the Agreement, a panel of technical and procurement representatives (the "User Intelligence Group (UIG)") was formed.
- 1.8. The UIG were responsible for developing the required internal contract strategy (the "Contract Strategy") for the Agreement. The Contract Strategy sets out the parameters and approaches the council would apply within the procurement, tendering, contracting and end of life stages of the Agreement following appropriate analysis, research and investigation to ensure the council achieves maximum benefit where possible. In accordance with GCSO 4.4, the Contract Strategy for the Agreement was approved on 20 November 2025.

2. Report

- 2.1 The procurement procedure was undertaken as a "Mini Competition" via the Crown Commercial Services, Technology Products & Associated Services 2, Lot 1 Hardware and Software and Associated Services (RM6098). A Mini Competition is a streamlined competitive procurement procedure where an overarching framework agreement is already in situ thus allowing the council access to companies that have already went through a full competitive procurement procedure to gain appointment to the overarching framework agreement. Accordingly, a Mini Competition enables the Council to award from the overarching framework agreement in a more efficient manner whilst enabling competition.

- 2.2 Based on the evaluation criteria and scoring methodology set out in the procurement procedure, an evaluation of tenders received was completed by members identified by the UIG as having the technical knowledge and experience to evaluate tenders in a professional and fair manner.
- 2.3 Following completion of the procurement procedure in accordance with the overarching framework agreement, the recommended Contractor has been evaluated as submitting the most economically advantageous tender.
- 2.4 The tender submitted by Virgin Media Business Ltd was the only bid received and has been evaluated as representing the most economically advantageous tender for this Contract.
- 2.5 In order to demonstrate value has been achieved from this award, a further benchmarking exercise of the hardware component pricing was carried out as part of the evaluation process whereby additional pricing for the hardware items were obtained via the Purchasing Platform Catalogue available from Crown Commercial Services, Technology Products & Associated Services 2, Lot 8 Technology Catalogue (RM6098).
- 2.6 Appendix 1 provides a summary of the procurement procedure undertaken including the key considerations and outcomes.

Financial / Budget Consideration

- 2.7 The pre-tender wholelife estimate budget for the Agreement was £6,700,000. The costs associated with delivery of the Agreement will be contained within a mixed Capital and Revenue budget for the infrastructure team within Finance and Technology. It is expected that £6,000,000 capital budget will be allocated to this contract over the contract lifetime to invest and enhance the Council's networking hardware estate. Existing Revenue budget associated with the maintenance of hardware will continue into this contract and provision has been made within the Council's Medium Term Financial Plan to ensure ongoing support for new hardware license costs across the next 3 years.

Price Stability

- 2.8 The maintenance pricing is fixed for the contract term.
- 2.9 The supply of Hardware from the call off agreement will fluctuate according to dollar exchange rate. However, initial pricing will be fixed for 30 days from quotation and contract management will be applied to continually benchmark the pricing throughout the lifetime of the contract.
- 2.10 The benchmarking exercise discussed in section 2.6 and engagement with Cisco confirmed that the council received on average a 49% discount within the response. The exercise carried out against pricing available via the RM6068 Technology Products and Associated Services catalogue demonstrated Virgin Media Business Ltd tender offered best value. Further details can be seen in Appendix 2.

Community Benefits

- 2.11 The council is committed to maximising the delivery of community benefits. The procurement included a community benefit requirement, this approach is designed to deliver local community benefits where possible.
- 2.12 Within their tender, the recommended Contractor committed to deliver community benefits as detailed within Appendix 1 of this report:

2.13 The community benefits committed as part of the Agreement does not include the creation of jobs or apprenticeships.

Fair Work First and Payment of the Living Wage

2.14 Within their tender submission to obtain appointment to the overarching framework agreement, the recommended Contractor intimated that they would commit to key areas of the Scottish Governments "Fair Work First" initiative including:

- Payment of the Real Living Wage
- Commitment to not utilise zero-hour contracts
- Supply chain transparency via Electronic Watch affiliation ensuring ethical sourcing and modern slavery risk mitigation

2.15 Further information on the Living Wage status of the recommended Contractor is detailed in Appendix 1

Contract Management

2.16 Officers from the Infrastructure team within Finance and Technology will be responsible for managing the Agreement which will be undertaken in accordance with the contract and supplier management conditions applied within the Agreement.

3. Measures of success

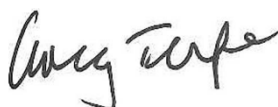
3.1 The Agreement will deliver the following outcomes;

- Best Value will be demonstrated as outlined in Appendix 1;
- Appointment of a single supplier to support and maintain the council's LAN/WLAN, storage and servers and establish a straightforward approach to request requirements as and when required.
- Consolidation of equipment reducing agreement burden in terms numbers of equipment to maintain. Supplier accredited trainer of manufacturer equipment who are supporting delivery of training to in-house staff to deliver installation.
- Social Value delivery as described within Appendix 1.
- Supply chain transparency via Electronic Watch affiliation ensuring ethical sourcing and modern slavery risk mitigation

4. Supporting documents

4.1 Appendix 1 Summary of Procurement Procedure

4.2 Appendix 2 Supporting Benchmarking Exercise



Greg Telfer
Chief Officer (Finance and Technology)

5. Impacts

<p>5.1 Public Sector Equality Duty and Fairer Scotland Duty Does the report contain information that has an impact as a result of the Public Sector Equality Duty and/or Fairer Scotland Duty? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, please provide a brief summary of the impact? If Yes, has an assessment been carried out and published on the council's website? https://www.northlanarkshire.gov.uk/your-community/equalities/equality-and-fairer-scotland-duty-impact-assessments Yes <input type="checkbox"/> No <input type="checkbox"/></p>
<p>5.2 Financial impact Does the report contain any financial impacts? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> If Yes, have all relevant financial impacts been discussed and agreed with Finance? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> If Yes, please provide a brief summary of the impact? Impacting capital and revenue budgets.</p>
<p>5.3 HR policy impact Does the report contain any HR policy or procedure impacts? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, have all relevant HR impacts been discussed and agreed with People Resources? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, please provide a brief summary of the impact?</p>
<p>5.4 Legal impact Does the report contain any legal impacts (such as general legal matters, statutory considerations (including employment law considerations), or new legislation)? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, please provide a brief summary of the impact? All procurement procedures will have potential legal implications however throughout this Agreement, compliance with the councils General Contract Standing Orders and the relevant procurement regulations has been maintained with advice from colleagues in Corporate Procurement and Legal Services sought as and when required.</p>
<p>5.5 Data protection impact Does the report / project / practice contain or involve the processing of personal data? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, is the processing of this personal data likely to result in a high risk to the data subject? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, has a Data Protection Impact Assessment (DPIA) been carried out and e-mailed to dataprotection@northlan.gov.uk Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p>

<p>5.6 Technology / Digital impact Does the report contain information that has an impact on either technology, digital transformation, service redesign / business change processes, data management, or connectivity / broadband / Wi-Fi? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, please provide a brief summary of the impact?</p> <p>Where the impact identifies a requirement for significant technology change, has an assessment been carried out (or is scheduled to be carried out) by the Enterprise Architecture Governance Group (EAGG)? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p>
<p>5.7 Environmental / Carbon impact Does the report / project / practice contain information that has an impact on any environmental or carbon matters? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, please provide a brief summary of the impact?</p>
<p>5.8 Communications impact Does the report contain any information that has an impact on the council's communications activities? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, please provide a brief summary of the impact?</p>
<p>5.9 Risk impact Is there a risk impact? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> If Yes, please provide a brief summary of the key risks and potential impacts, highlighting where the risk(s) are assessed and recorded (e.g. Corporate or Service or Project Risk Registers), and how they are managed?</p> <p>Please refer to corporate and service risk registers contained within Figtree.</p>
<p>5.10 Armed Forces Covenant Duty Does the report require to take due regard of the Armed Forces Covenant Duty (i.e. does it relate to healthcare, housing, or education services for in-Service or ex-Service personnel, or their families, or widow(er)s)? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, please provide a brief summary of the provision which has been made to ensure there has been appropriate consideration of the particular needs of the Armed Forces community to make sure that they do not face disadvantage compared to other citizens in the provision of public services.</p>
<p>5.11 Children's rights and wellbeing impact Does the report contain any information regarding any council activity, service delivery, policy, or plan that has an impact on children and young people up to the age of 18, or on a specific group of these? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, please provide a brief summary of the impact and the provision that has been made to ensure there has been appropriate consideration of the relevant Articles from the United Nations Convention on the Rights of the Child (UNCRC).</p> <p>If Yes, has a Children's Rights and Wellbeing Impact Assessment (CRWIA) been carried out? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p>

Appendix 1 – Summary of Procurement Procedure

Overview	Reference	NLC-CPT-25-084		
	Title	Provision of LAN / SAN Hardware Supply & Maintenance 2026-2029		
	Classification	Supplies		
	Responsible Chief Officer and Position	Greg Telfer, Chief Officer (Finance & Technology)		
Competition	Governance by Value	Overarching Framework Agreement's terms and condition in accordance with the Councils General Contract Standing Orders		
	Route to Market	Mini Competition from a Third-Party Framework Agreement		
	“Framework Agreement “Title, Ref and Lot Info	Crown Commercial Services, Technology Products & Associated Service 2, Lot 1 Hardware and Software and Associated Services (RM6098)		
	Interest	No. of Lot / Framework Agreement Contractor	16	Date Invitation to Tender Package Published 10 December 2025
	Tenders Received	Total No. of Tenders Received	1	No. of Tenders From SME’s 0
		No. Tenders from NLC Based Businesses	0	No. of Tenders from Supported Businesses 0
	Reasons for Single Tender Response	<p>16 invited to participate in this mini-competition. However, only one return was received from Virgin Media Business Limited. Further benchmarking was conducted to support best value considerations – see Appendix 2.</p> <p>Interest was expressed from other bidders during the procurement. Unfortunately, these bidders ultimately decided not to participate citing the following reasons:</p> <ul style="list-style-type: none"> • Unable to work with partner (Cisco) • On this occasion we have opted to decline due to internal considerations • Not bidding. 		

	Award Criteria	Quality Weighting	30%	Price Weighting	70%	
	Evaluation Scoring	Contractor(s) Score	97.30%	Unsuccessful Tenderer Scoring Range	Not applicable	
	How Has “Best Value” Been Demonstrated?	See section 3 of the Award Report and Appendix 2				
	Additional Comments					
Award Details	General Overview	Total / Maximum Value	£7,994,000	Contract Duration (Months)	36	
	Contractor Registered Name(s)	Virgin Media Business Limited				
	Contractor Overview	Registered Local Authority Area	Berkshire (Reading Borough Council)	Contractor(s) Size	Large	
	Living Wage	Paying the Living Wage	Yes	Living Wage Accredited	No	
	Overview of Community Benefits	Non-financial Support for a Community Project / Organisation (x4)				
	Additional Comments					
Impacts Summary,	Public Sector Equality Duty and Fairer Scotland Duty <input type="checkbox"/>	HR Policy Impact <input type="checkbox"/>	Data Protection Impact <input type="checkbox"/>	Environment / Carbon Impact <input type="checkbox"/>	Risk Impact <input checked="" type="checkbox"/>	Children’s Rights and Wellbeing Impact <input type="checkbox"/>
	Financial Impact <input checked="" type="checkbox"/>	Legal Impact <input type="checkbox"/>	Technology / Digital Impact <input type="checkbox"/>	Comms impact <input type="checkbox"/>	Armed Forces Covenant Duty <input type="checkbox"/>	

Appendix 2 – Supporting Benchmarking Exercise

Hardware Component Type	C9350-48HX	C9300X-12Y with Stack Kit	C9200L-48T-4X
estimated quantity over 3 years	280	60	770
Virgin Bid Pricing	£3,775.38	£4,094.39	£1,098.24
Computacenter Benchmarking Framework RM6098 Direct Award from catalogue	£10,528.45	£9,955.78	£1,501.12
Virgin Hardware Bid Total	£1,057,106.40	£245,663.40	£845,644.80
Computacenter Benchmark Total	£2,947,966.00	£597,346.80	£1,155,862.40
Benchmarking Discount %	-64.14%	-58.87%	-26.84%