

Report to:	Cabinet	Date of Meeting:	6 January 2022
Subject:	Re-tender of the Councils Corporate Internet and Wide Area Network Connectivity Provision		
Report of:	Executive Director of Corporate Resources and Customer Services	Wards Affected:	(All Wards);
Portfolio:	Cabinet Member - Regulatory, Compliance and Corporate Services		
Is this a Key Decision:	Yes	Included in Forward Plan:	Yes
Exempt / Confidential Report:	No		

Summary:

This report details the background to the Council's current Corporate Internet and Wide Area Network connectivity contract, providing details of the current set up and also the proposed changes to the delivery model. The report also details the associated procurement route required to make this change.

Recommendation(s):

- (1) That the Executive Director of Corporate Resources & Customer Services be authorised to conduct a procurement exercise for a new corporate internet and wide area network provision for a period of 5 years (with the option to extend for a further 2 years); and
- (2) That the Executive Director of Corporate Resources & Customer Services in consultation with the Cabinet Member for Regulatory, Compliance and Corporate Services be granted delegated authority to award a Contract resulting from the procurement exercise and any extension to the contract.

Reasons for the Recommendation(s):

To ensure that there is both a continued and suitable ICT core connectivity service in place to ensure that the Council has the means to provide internet connectivity, network connectivity, and secure remote access and also to take the opportunity to modernise and make improvements to the network in line with new technologies available and revised operating models.

Alternative Options Considered and Rejected: (including any Risk Implications)

To continue with the current wide area network service supplied by Virgin Media however the Council would be acting outside Contract Procedure Rules and Public Contract Regulations due to the current contract ending in March 2023. In addition, this would not allow the Council to take advantage of new opportunities and upgraded technologies now available in the marketplace such as the proposed, SD-WAN (Software Defined Wide Area Network).

What will it cost and how will it be financed?

(A) Revenue Costs

Costs to be contained within existing revenue budgets

(B) Capital Costs

None expected.

Implications of the Proposals:

Resource Implications (Financial, IT, Staffing and Assets):

Financial:

It is the aim of this procurement, sourced via a Crown Commercial Service framework, for prices to not rise above what the Council currently pays but this will not be fully clear until the procurement exercise is underway and/or completed.

The procurement evaluation will also consider the longer-term opportunities to reduce overall ICT contract costs to the authority by providing an option within the contract for the Council to procure WiFi services as detailed in point 5.11 further down this report.

IT:

There will be a requirement for both Council staff within the ICT Client Unit and staff from Agilisys to undertake implementation for any changes provided

Staffing:

The awarding of a new contract is not envisaged to have any staffing implications regarding Council staff. The Council's ICT provider has also been consulted and advised that they don't believe there will be any TUPE implications.

Assets:

There will be redundant ICT network assets from this procurement. The current ICT network is aging and therefore assets are likely to have little to no value and will be recycled or repurposed as appropriate

Legal Implications:

The Council's Contract Procedure Rules and the Public Contract Regulations 2015

Equality Implications:

There are no equality implications.

Climate Emergency Implications:

The recommendations within this report will

Have a positive impact	Y
Have a neutral impact	N
Have a negative impact	N
The Author has undertaken the Climate Emergency training for report authors	N

The procurement and subsequent change to the Council's network will see a reduction in network equipment required and also a refresh of the core network equipment provided by the incumbent supplier, with the majority of hardware being replaced with SDWAN which is a Software Defined Wide Area Network this new set up will in turn require less hardware which will reduce energy consumption and in addition the equipment which is replaced will be more energy efficient which is typical of improving technologies.

The procurement exercise will also ask suppliers who submit tenders to include information on limiting the use of single-use plastics, ensuring packaging of any hardware is recycled and that deliveries are made using as few journeys as possible and where possible by electric or hybrid vehicles.

Contribution to the Council's Core Purpose:

Protect the most vulnerable: Not applicable

Facilitate confident and resilient communities: Not applicable

Commission, broker and provide core services: Not applicable

Place – leadership and influencer: Not applicable

Drivers of change and reform: Not applicable

Facilitate sustainable economic prosperity: Not applicable

Greater income for social investment: Not applicable

Cleaner Greener: The procurement supports the Councils aim to reduce its carbon footprint.

What consultations have taken place on the proposals and when?

(A) Internal Consultations

The Executive Director of Corporate Resources and Customer Services (FD.6641/21) and the Chief Legal and Democratic Officer (LD.4842/21) have been consulted and any comments have been incorporated into the report.

(B) External Consultations

The Council's ICT Service Provider Agilisys has been engaged to assist in specifying the technical requirements and associated security standards for this procurement and will also be participating in the evaluation and moderation of the tender.

In addition, Microsoft have also been consulted with to ensure the new design will be suitable for connecting to the Azure Cloud Services used by the Council in their datacentres.

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Appendices:

There are no appendices to this report

Background Papers:

There are no background papers available for inspection.

1. Introduction/Background

- 1.1 Sefton Council has a wide area network (WAN) across the borough which provides corporate network and internet access for all corporate buildings.
- 1.2 The authority also has in place a secure Virtual Private Network (VPN) which currently runs over the corporate network via the data centre at St Peters House to support the agile work force.

2 Current Arrangements

- 2.1 The configuration which is known as an IPVPN network (and its former iteration MEVPN) have been in place in Sefton for more than 10 years.
- 2.2 IPVPN effectively allows a large organisations network to be split across multiple sites and geographic locations to perform like a local area network by utilising carriers' networks and segmenting and securing the connections away from other traffic
- 2.3 The current cost of connectivity is £329.k pa.

3 Opportunity for changing

- 3.1 Digital technologies are progressing at pace, with new advancements in ICT solutions that allow businesses to change the way services are offered. SD-WAN (Software Defined Wide Area Network) is increasingly used as a network of choice. Some Local Authorities and other public service organisations have also elected to move to this solution due to its flexibility, scalability, security and cost.
- 3.2 Further to the above, the future deployment of the LCR Backhaul Network provides the opportunity for the Council to move to faster and more cost effective direct internet connections, with SD-WAN providing the technical overlay for managing the network traffic and associated security requirements.
- 3.3 It must also be highlighted that an SD-WAN network will support Sefton's move to Cloud, with enhanced security and integrated firewalls to support both an office based and agile workforce. The technology provides the opportunity to secure remote access to all applications from any end point (there by replacing the current VPN solution), whether the applications are located in the Azure Cloud, SAAS (Software As a Service) solutions from vendors or remain on premise. Thus, ensuring that the authority has a robust, flexible and scalable network.

4 Scoping and preparation activity

- 4.1 A detailed requirements specification will be developed in partnership with the Council's external ICT provider, Agilisys to ensure that all technical standards and design principles are included within the document, not only in line with market standards but also to reflect the ambitious Transformation agenda as defined within the New Ways of Working Programme.

5 Proposed Procurement Route

- 5.1 Following Framework searches on the Crown Commercial Services website it has been identified that there is a suitable Framework available for this procurement exercise
- 5.2 The specific CCS Framework is **RM3808 – Network Services 2**. This framework was also used earlier in the year by the Council to procure internet connectivity for schools (under Cabinet Report "*Procurement and Change of Service for Schools ICT Provision*" dated 3 September 2020)
- 5.3 The Council would be procuring from Lot 1 Data Access Services within this Framework to which there are 39 potential suppliers on this lot.
- 5.4 This framework offers two key procurement methods;
- **Direct Award** - Offers a quick and flexible way to buy products and services from the RM3808 framework without the need to run a further competition.
 - **Mini Competition** - Enables the Council to approach all of the suppliers within a specific lot of RM3808 to obtain quotes in order to identify the most economically advantageous solution through the application of the agreement award criteria.
- 5.5 With 39 potential suppliers on the Framework, pricing will be competitive so in order to seek the best financial deal for the Council, it is recommended that a Mini Competition is conducted.
- 5.6 A Mini Competition will allow officers to fully articulate the Council's requirements and invite multiple quotations from bidders. This, in turn, will allow officers to compare offers / prices and identify a supplier who can provide high quality services at a competitive cost.
- 5.7 It is proposed that the procurement exercise will be led by the Council's Senior Manager for ICT and Digital, the Council's ICT Lead for Contracts, Procurement and Schools and the Council's interim ICT Procurement Lead in conjunction with and supported by other members of the Council's ICT Client Team and also the Council's ICT Service Provider; Agilisys.
- 5.8 The evaluation panel will be made up of members of the ICT Client Team and designated staff from the Council's ICT Service Provider; Agilisys.
- 5.9 In terms of evaluation weighting, the following is proposed:

Price	40%
Quality	50%
Social Value	10%

5.10 It is also recommended that such is the potential work required after completion of the procurement exercise for implementation, that the suggested contract term be 5 years initially with the option of a 2-year extension. As also seen on the school internet connectivity procurement mentioned earlier in this report, the longer the contract or commitment to purchasing connections, the greater the discount which could be offered.

5.11 As Corporate WiFi also links directly to the services to be tendered for in this report and given that WiFi support and maintenance contracts are still to be reviewed, after their novation back to the Council, from its previous external ICT provider. To maximise the value of any new contract, it is proposed to include an option to consolidate these contracts within this tender. This will however only be opted into if there is evidence of value for money for the duration of the contract term.

6 Next Steps

6.1 If the recommendations of this report are accepted, the next steps for the procurement will be as follows;

Publication of tender and bidder response time	8 weeks (completing mid-March 2022)
Evaluation leading to award	8 weeks (completing mid-May 2022)
Implementation/go live	32 weeks (going live as existing contract/provision ends in March 2023)

6.2 Procurement activity would aim to be started in mid-January 2022 with an award to the successful bidder by mid-May 2022 leading on to an implementation period of approximately 8 months.