Report to:	Cabinet	Date of Meeting:	3 September 2020
Subject:	Procurement and Change of Service for Schools ICT Provision		
Report of:	Executive Director of Corporate Resources & Customer Services	Wards Affected:	All
Cabinet 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 sets out the background to the current ICT connectivity provision provided to circa 75 schools within the authority and proposes a change to the delivery model to improve performance and internet speeds at schools. 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 direct internet access, firewalls and a web-filtering solution for a period of 3 years for all schools wishing to remain taking services from the Council or indeed any additional Schools within the authority who may wish to return to taking this service from the Council.

(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 the Contract resulting from the procurement exercise.

Reasons for the Recommendation(s):

(1) To have an appropriate, safe and improved ICT service available for schools that meets the educational needs of children within the borough.

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

(1) To continue with the model provided currently to schools. This option however would require a large capital investment to refresh and also improve the network equipment in the Council's main data centre which would either have to be funded by the Council or recharged back to schools which may make the service financially unfeasible.

What will it cost and how will it be financed?

(A)   Revenue Costs
The revenue implications are detailed within the report.

(B)   Capital Costs
The capital implications are detailed within the report.

Implications of the Proposals:

Resource Implications (Financial, IT, Staffing and Assets):   **Financial:**   It is the aim of the project sourced via a Crown Commercial Service framework contract for prices to not rise above what schools currently pay but this will not be fully clear until the procurement exercise is underway.   **IT:**   The awarding of a new contract will enable the decommissioning of the existing wide Area Network (WAN)/IPVPN setup and allow both Council and its ICT provider's staff more time to reallocate their resource into further improving ICT provision to Sefton schools.   **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 too don't believe there will be TUPE implications.   **Assets:**   There are likely to be asset implications associated with this procurement. Equipment currently owned by Sefton Council will be released. This equipment could be redeployed elsewhere or disposed of, potentially reducing maintenance of those assets.
Legal Implications: There are no legal implications
Equality Implications: There are no equality implications.

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: Providing improved internet to schools will positively

affect the learning of pupils within the borough leading towards a better outcome and future.
Facilitate sustainable economic prosperity: Not applicable
Greater income for social investment: Not applicable
Cleaner Greener: Decentralising the schools ICT provision currently hosted in the Council's main data centre will reduce carbon emissions associated with the high use of electricity to power the network equipment.

What consultations have taken place on the proposals and when?

(A)   Internal Consultations
The Executive Director of Corporate Resources & Customer Services (FD6094/20) is the author of the report.

The Chief Legal & Democratic Officer (LD4276/20) has been consulted and any comments have been incorporated into the report.

(B)   External Consultations
Not applicable.

Implementation Date for the Decision
Following the expiry of the "call-in" period for the Minutes of the Cabinet Meeting

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Appendices:
There are no appendices to this report

Background Papers:
There are no background papers available for inspection.

Introduction/Background

1.1 Sefton Council, through one of three ICT related Service Level Agreements (SLA's), provide network and internet services to circa 75 schools within the authority currently.

1.2 The latest revision of these SLA's were put in place by the Council's previous ICT Provider for a duration of 3 years and were transferred to the Council midway through their term when the Council's agreement with the provider ended.

1.3 There is now an opportunity to rescope this service when the current SLA's end (31-Mar-21) and the current contract with the Internet Service Provider ends (26-Jul-21) which will provide operational and performance improvements to schools' internet whilst aiming to also not increase costs for the schools.

Schools Connectivity – current arrangements

1.4 The Council's ICT provider currently provides the service prescribed in the SLA's to schools although the ownership and responsibility of these SLA's now lies with the Council.

1.5 The name of the relevant SLA is "ICT Services and Support SLA" and whilst its primary function is to provide internet access to schools it also offers a number of other functions including web filtering, a firewall and access back to the Council's network.

1.6 In addition, SeftonArc use the connections at a number of schools and a small proportion of schools also take a telephony service from the Council which is linked to their connection.

1.7 The current setup works by routing all internet and network traffic through the Council's main data centre in St Peters House.

1.8 Internal network traffic is contained for use within the Councils network and other external traffic is filtered through a central web filtering system as a safeguard for pupils before going through to the internet.

1.9 Due to the route the internet traffic takes over sometimes borough-length circuits, schools and its pupils, teachers and other staff are often subject to slow performance (latency).

1.10 Internet traffic performance is also further affected by a number of schools still using below standard connections for their needs known as Fibre to the Cabinet (FTTC) connections.

1.11 These FTTC lines do also not have good guarantees of service availability and fix times meaning that in the very unfortunate circumstance of a critical fault, a school could potentially be without network and internet access for a prolonged period of time.

1.12 The network equipment used in the Council's main data centre to provide this service is very expensive to replace and will also need refreshing in the near future to continue this service should this change in solution not be made.

1.13 The main Council internet pipe would also need increasing to match the increase of demand on internet services seen over the past few years as schools modernise and transform their digital services further.

1.14 The expected cost of hardware replacement and improvement would be in the region of £0.100m or more which would include the replacement of existing near end-of-life hardware in the Council's main data centre with more fit for purpose network hardware.

1.15 The revenue cost associated with required bandwidth improvement would also increase to accommodate the natural increase in internet traffic by schools since the last review of their use and the anticipation of schools continuing to digitally transform.

1.16 The current cost of the service provided is £0.357m pa.

Opportunity for changing school connectivity to direct internet access

1.17 The current provision serves schools requirements for internet connectivity however there is an opportunity to modernise and provide a much better service to the schools opting to continue to take this service from the Council.

1.18 Schools internet connectivity will become independent from the Council's network removing bottlenecks and improving their service. It will be protected with onsite firewalls and pupils will be protected by an education grade web filtering solution which will also have the facility for schools staff to review and unblock websites themselves in line with their own policies and to also generate reports on useage.

1.19 There is also an opportunity to re-engage with schools who take their connectivity through another private supplier to see if there is an appetite for them to return to taking this service from the Council.

Scoping and preparation activity

1.20 Officers, in conjunction with the Councils ICT service provider, have conducted a review of the existing provision surrounding internet access to schools.

1.21 This process has allowed officers to develop a statement of requirements outlining a proposed solution of direct internet access for schools wishing to take this service from the Council going forward.

1.22 Officers now propose to commence a procurement exercise to provide direct internet access to schools offering a tariff of 2-3 different speed options (to suit different sizes of schools and different budgets), an onsite firewall and an

education grade web-filtering solution.

Proposed Procurement Route

2.1   Following discussions with the Council's Procurement Team, the recommendation is that a Crown Commercial Services framework is used for this procurement.

2.2   The specific CCS Framework is RM3808- Network Services 2.

2.3   The Council would be procuring from Lot 1 Data Access Services with there being 38 suppliers in this lot.

2.4   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 the identify the most economically advantageous solution through the application of the agreement award criteria.

2.5   The framework is very competitive with 38 suppliers on the specific lot of RM3808; therefore, in order to seek the best financial deal for the Council, it is recommended that a Mini Competition is conducted.

2.6   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.

2.7   It is proposed that the procurement exercise will be led by the Council's ICT Lead for Contracts, Procurement and Schools in conjunction and supported by the Procurement Team, other members of the ICT Client Team and the Council's ICT Service Provider.

2.8   The evaluation panel will be initially be made up of members of the ICT Client Team and the Procurement Team and may include some staff employed by Council's ICT Service Provider if this is legally permissible.

2.9   In terms of evaluation weighting, the following is proposed:

Price	60%
Quality	30%
Social Value	10%

2.10   It is recommended that the term of any contract is 3 years which would align with a 3 year term usually assigned to ICT SLA's with schools.

Next Steps

2.10   If the recommendation of this report is accepted and approved, the next steps will be as follows:

Activity	Timescales
Publication and bidder response time	up to 6 weeks
Evaluation leading to Award	up to 6 weeks

2.11   Depending on approval, the intention is to commence this procurement activity in September 2020, with a view to an award taking place before the end of 2020. This will give the required amount of time to have services with any new provider in place when existing Schools ICT SLA's finish on 31-03-2021

2.12   It should be noted that these timescales are also to accommodate the installation time required for certain types of connections which are usually set to an arbitrary 90 days within the industry.

2.13   Timescales may flex depending on the number of suppliers which decide to make a full submission.

2.14   In conclusion, the move towards a more suitable, modern and faster internet experience for schools is the first stage and opportunity for the Council to change this service for schools since it has had the control do so after the service was returned to its operation from the Council's previous ICT provider.