



Reference No: 18-2015

THE POLICE & CRIME COMMISSIONER FOR CLEVELAND

DECISION RECORD FORM

REQUEST:

Approve the award of ICT encryption hardware, support and maintenance services.

Title:

Encryption hardware, support and maintenance services (PSNP Compliance).

Executive Summary:

The purpose of this report is to advise the Police and Crime Commissioner of the procurement process undertaken during the recent procurement exercise to award a contract for the supply, support & maintenance of all ICT hardware required for the current and future data network in order to comply with PSNP requirements. Further details are contained in the attached report.

Decision:

The PCC is asked to approve a contract recommendation for the provision of ICT encryption hardware, support and maintenance services for the value of £498k.

Implications:

Has consideration been taken of the following:	Yes	No
Financial	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Legal	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Equality & Diversity	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Human Rights	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Sustainability	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Risk	<input checked="" type="checkbox"/>	<input type="checkbox"/>

(If yes please provide further details below)

Decision Required – Supporting Information

Financial Implications: (Must include comments of the PCC's CFO where the decision has financial implications)

The encryption hardware cost, support and maintenance requirements will be met by capital expenditure.

Capital costs are as follows:

Encryption hardware/equipment £348,803.31

Maintenance yrs 1 – 5 £116,927.10

Professional services £23,750.00

PSN Levy £8076.42

Total £497,556.83

The above pricing for encryption hardware and equipment is not only extremely competitive; it also has an exclusive discount applied of almost 60% direct from the manufacturer. This equates to a saving of almost £209,281.98 when measured against the standard market rate. The funds for the above contract from both a Capital and Revenue perspective are incorporated within the current and projected financial plans.

Legal Implications: (Must include comments of the Monitoring Officer where the decision has legal implication)

Contract to be awarded under CCS terms and conditions.

Equality and Diversity Implications

All Diversity and Equality considerations have been taken into account during the appointment of all suppliers on the CCS framework. There are no Diversity and Equality implications associated with the award of this contract.

Human Rights Implications

There are no Human Rights implications associated with the award of this contract.

Sustainability Implications

There are no sustainability implications associated with the award of this contract.

Risk Management Implications

There are no risk implications associated with the award of this contract.
The recommended bidder has a very comprehensive understanding of the contract requirements and is a leading provider of ICT encryption hardware and network support services.

OFFICER APPROVAL**Chief Executive**

I have been consulted about the decision and confirm that financial, legal, and equalities advice has been taken into account. I am satisfied that this is an appropriate request to be submitted to the Police and Crime Commissioner.

Signed: 

Date: 12/2/15

Police and Crime Commissioner:

The above request HAS / ~~DOES NOT HAVE~~ my approval.

Signed: 

Date: 12/2/15

Report of the Chief Constable to the Police and Crime Commissioner for Cleveland.

Status: For Decision

Procurement Report for the Provision of ICT encryption hardware, support and maintenance in order to comply with PSNP (Public service network in policing) requirements.

1. Purpose

- 1.1 The purpose of this report is to advise the Police and Crime Commissioner of the procurement process undertaken during the recent procurement exercise to award a contract for the supply, support & maintenance of all ICT hardware required for the current and future data network in order to comply with PSNP requirements.
- 1.2 The group of Police National networks (CJX, xCJX and SCN) and a number of other services are currently procured using the PNN3 (Police National Network 3) framework which allows the procurement of network services individually and collectively.
- 1.3 The nature of the contracts originally placed under the PNN3 framework mean that the core policing networks (CJX, xCJX and SCN) will cease to operate on expiry of the PNN3 framework on the 31st October 2015.
- 1.4 The closure of the PNN3 (Police National Network) framework and the introduction of replacement network solutions will impact every Police force, agency and department currently connected to the CJX, xCJX and SCN networks as well as every application and service provided over these networks.
- 1.5 As a result all forces must ensure that appropriate ICT hardware and infrastructure is in place to ensure a seamless migration to the replacement network PSNP before 31st October 2015, when PNN3 services stop.

2. Recommendations

- 2.1 That the Police and Crime Commissioner note the Procurement process used to appoint a contract for the provision of ICT encryption hardware, support and maintenance services.
- 2.2 The Police and Crime Commissioner accept the tender response from bidder 1 as a best value solution.

3. Background

- 3.1 A mini competition via the Crown Commercial Service 'PSN services' framework was the chosen procedure for this procurement. The mini competition procedure involves sending the bid package to a select list of suppliers that are on the PSN services framework agreement to complete and return. The bid package focused on basic organisation details, technical competence to deliver the service as well as a detailed pricing matrix. As this project is business critical, a great deal of emphasis has been placed upon the ability to deliver the requirements within a restrictive timeline.
- 3.2 The bid package was issued to all framework suppliers through the national e-tendering portal i.e. EU Supply on the 12th January 2015, one organisation submitted a completed proposal on the 30th January 2015. A further two organisations did request for an extension of 2 weeks to submit proposals but this was declined due to the restrictive timeline to deliver.
- 3.3 The Project Evaluation Team agreed the format and assessed the only tender submission on 02nd February 2015.
- 3.4 Upon review of the submission it was clear that the bidder had previous experience in delivering similar scope of service as well as the technical competence to provide the necessary hardware and support requirements during the 5 year contract term.
- 3.5 Whilst review the pricing structure of the proposal, it became clear that there was the opportunity to negotiate on several areas of cost (Hardware and maintenance) which would release the full exclusive discount available direct from the hardware manufacturer.
- 3.6 The bidder was given the opportunity to review the pricing structure and liaise directly with the manufacturer in order to submit a revised pricing proposal by 5th February 2015.
- 3.7 Following the completion of the evaluation exercise and confirmation of the revised pricing and applicable discount, it was clear that a competitive and practical proposal had been offered.
- 3.8 As a benchmarking exercise and to ensure that the proposal was the most cost effective option, SopraSteria also obtained a quote for the same hardware and maintenance which was quoted at a much higher price due to the Crown Commercial Services 'PSN' procurement framework Cleveland Police are party to.
- 3.9 The choice made by the Evaluation Team is for Bidder 1 to be awarded the contract for the provision of 'ICT encryption hardware, support and maintenance' as they submitted the most economically advantageous tender in accordance with the published award criteria.
- 3.10 Subject to final approval, the new contract is due to commence on the 1st March 2015.

4. Implications

4.1 Finance

The encryption hardware cost, support and maintenance requirements will be met by capital expenditure.

Capital costs are as follows:

Encryption hardware/equipment £348,803.31
Maintenance yrs 1 – 5 £116,927.10
Professional services £23,750.00
PSN Levy £8076.42

Total £497,556.83

Pre tender estimates had been calculated at £318,324 for Encryption hardware/equipment – the proposal is higher by £30,497

Pre tender estimates had been calculated at £195,233 for Maintenance charges (Years 1 – 5) – the proposal is less by £78,306

The Professional Services and PSN Levy are unavoidable charges.

The above pricing for encryption hardware and equipment is not only extremely competitive; it also has an exclusive discount applied of almost 60% direct from the manufacturer. This equates to a saving of almost £209,281.98 when measured against the standard market rate.

4.2 Legal

Contract to be awarded under CCS framework terms and conditions. There are no Legal implications associated with the award of this contract.

4.3 Diversity & Equal Opportunities

All Diversity and Equality considerations have been taken into account during the appointment of all suppliers on the CCS framework. There are no Diversity and Equality implications associated with the award of this contract.

4.4 Human Rights Act

There are no Human Rights implications associated with the award of this contract.

4.5 Sustainability

All Sustainability considerations have been taken into account during tender analysis. There is no sustainability implications associated with the award of this contract.

4.6 Risk

There is no risk implications associated with the award of this contract. The recommended bidder has a very comprehensive understanding of the contract requirements and is a leading provider of ICT encryption hardware and network support services.

5. Conclusions

- 5.1 The contract has been awarded in compliance with EU Legislation.
- 5.2 The evaluation has been conducted in a fair, comprehensive, thorough and transparent process.
- 5.3 The tender submission from Bidder 1 has fully met the specification of requirements.
- 5.4 The evaluation team are fully confident that the procurement process has achieved best value and the new contract will provide the required infrastructure required to support the migration to the new PSNP network service.

Jacqui Cheer
Chief Constable

Evaluation team:

Procurement Category Leader - Steria
Network Manager - Steria
Head of ICT - Steria
Portfolio Manager - Steria