



# THE POLICE & CRIME COMMISSIONER FOR CLEVELAND

## DECISION RECORD FORM

**REQUEST:**

CPC-0001529 approval for the award of WAN Support & Rationalisation

**Title:**

Wide Area Network (WAN) Support & Rationalisation

**Executive Summary:**

Following a Service Review of the current supply & support contract it was identified that there could be savings made and an opportunity to upgrade the WAN circuits.

The current solution is based on point to point, hub and spoke architecture. The Force needs to migrate this to a hybrid solution by making use of point to point and MPLS Technology.

The main objectives of the tender exercise are to ensure the Force has an effective and efficient Network Infrastructure in-line with the Force ICT Strategy and future needs; to reduce the current annual support costs; carry out a WAN upgrade at the same time which will result in not having to fund a separate WAN Upgrade Project in 2016/17.

The route to market chosen is the recently awarded Crown Commercial Services Network Services Agreement RM1045.

The investigation and evaluation of all procurement routes has been conducted in a fair, comprehensive, thorough and transparent process.

**Decision:**

The PCC is asked to approve the award of the WAN Support & Rationalisation to Bidder 1 on a 5 year award basis to achieve maximum savings.

**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 price for a five year term under the existing arrangements would have been £1,164,596. Bidder 1's price for the five year term is £1,015,254, thus giving a total saving of £149,342 over the term or £29,868 per annum.

The price of the 5 year contract from Bidder 1 £54,169.70 less than that of Bidder 2.

With the agreement of the Chief of Staff this declaration has been completed by the CFO to the Chief Constable in the absence of the PCC's CFO in order to meet the urgent deadlines and deliver the savings identified in the report.

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

Terms & Conditions are those set out within the Crown Commercial Service RM1045 Network Services Framework Contract.

### Equality and Diversity Implications

There are no diversity & equal opportunity implications associated with the aware of this contract.

### Human Rights Implications

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

### Sustainability Implications

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

### Risk Management Implications

Bidder 1 is the incumbent provider and they will absorb the first £2,800 of any cost of having to provide an alternative ducting supply to accommodate new circuits. It is anticipated that there will be no further ducting required.

This timeline has been delayed quite significantly due to numerous clarification questions when evaluating the tenders. The contract go live date is 1st November 2015.

**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: \_\_\_\_\_

22 October 2015

**Police and Crime Commissioner:**

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

Signed: \_\_\_\_\_



Date: \_\_\_\_\_

22/10/15

**Report of the Chief Constable to the Police and Crime Commissioner for  
Cleveland – October 2015**

**Status: For Decision**

**Procurement Report for the Wide Area Network (WAN) Support and  
Rationalisation**

**1. Purpose**

- 1.1 Following a Service Review of the current supply & support contract it was identified that there could be savings made and an opportunity to upgrade the WAN circuits.
- 1.2 The current solution is based on point to point, hub and spoke architecture. The Force needs to migrate this to a hybrid solution by making use of point to point and MPLS Technology.
- 1.3 The main objectives of the tender exercise are to ensure the Force has an effective and efficient Network Infrastructure in-line with the Force ICT Strategy and future needs; to reduce the current annual support costs; carry out a WAN upgrade at the same time which will result in not having to fund a separate WAN Upgrade Project next year estimated at c270K and reduce the costs to migrate the circuits across to the new HQ (currently estimated at 300K if nothing is changed).
- 1.4 The route to market chosen is the recently awarded Crown Commercial Services Network Services Agreement RM1045 using a Short Form Further Competition Order Form. This Framework Agreement is split into 10 Lots.
- 1.5 Lot 1 Data Access Services has been used with 26 pre-tendered service providers included. All 26 suppliers were provided with the opportunity to respond via the Eu-Supply portal.
- 1.6 As a result of this procurement exercise a single provider will hold the contract for the WAN Support and Rationalisation.

## **2. Recommendations**

- 2.1 That the Police and Crime Commissioner note the Procurement process used to appoint a supplier for the WAN Support and Rationalisation.
- 2.2 The Police and Crime Commissioner approve the procurement methods investigated and recommendations put forward by the Evaluation Team.

## **3. Background**

- 3.1 The current support contract for the telephone leased lines expires on 31<sup>st</sup> October 2015 with a 12 month option to extend until 1<sup>st</sup> November 2016.
- 3.2 The opportunity to upgrade the infrastructure now will also enable the Force infrastructure to take on required future services in line with the ICT Strategy and Force Priorities e.g. sufficient bandwidth and resiliency. This will result in improved efficiencies.
- 3.3 The Tender process has been brought forward to realise some savings and upgrading some of the main lines to 10Gig prior to the move to the new HQ. Migration to the new HQ has been taken into consideration within this Tender process and cost savings will be realised as a result of this.
- 3.4 Cleveland Police WAN is used to interconnect 4 District HQ's and multiple satellite stations. There are two Datacentres based in the Middlesbrough area to transport DATA/VOICE and VIDEO.
- 3.5 A Procurement exercise commenced using the CCS RM1045 Framework Contract Short Form Further Competition Order Form, inviting the 26 suppliers included in this Lot via the Eu-Supply portal.
- 3.6 The Tender Timeline was reviewed and suppliers were given additional time to prepare their responses therefore a closing date of 2<sup>nd</sup> October 2015 was agreed.
- 3.7 Two suppliers submitted responses and the Evaluation process commenced on 7<sup>th</sup> October 2015.
- 3.8 Further clarification questions were required by the Evaluation Team from both suppliers. This process has caused a delay in the award of this contract.

## 4. Implications

### 4.1 Finance

4.1.1 The below figures are based on the current spend.

Telephone circuits 14/15	£ 213,619.16
Microwave Radio Link Support 15/16	£ 13,800.00
Microwave Radio Link Licences 15/16	<u>£ 5,500.12</u>
Total revenue per annum	£ 232,919.28
Total cost for 5 years	£1,164,596.40

4.1.2 The below figures are from the winning Bidder if the 5 year option is accepted:

#### Year 1

Annual Rental	£ 215,114.20
Less dual running costs (£1,500 annually)	£ 213,614.20
Less 5.5% discount for 5 year option	£ 201,865.42
Plus Project Management Fee of £5,927	<b>£ 207,792.42</b>

#### Years 2 – 5

Annual Rental	£ 215,114.20
Less dual running costs (£1,500 annually)	£ 213,614.20
Less 5.5% discount for 5 year option	£ 201,865.42
X4 =	<b>£ 807,461.68</b>

Total cost of 5 year option = **£1,015,254.10**

Total saving over current contract 5 years = **£ 149,342.30**

4.1.3 Capital projects that are interdependent of the WAN Service:

WAN refresh Capital Project projected cost of £275,000  
Community Safety Hub – Project Migrations cost estimated at c136k  
Microwave Migration estimated at c10k

4.1.4 Total Savings

Known savings from the tender process over 5 years = £149,342.30

Additional potential savings (Community Safety Hub & WAN project) = c£146,000

### 4.2 Legal

Terms and Conditions are those set out within the CCS RM1045 Framework Contract.

4.3 Diversity & Equal Opportunities

There are no diversity & equal opportunity 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

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

4.6 Risk

Bidder 1 is the incumbent provider they will absorb the first £2,800 of any cost of having to provide an alternative ducting supply to accommodate new circuits. It is anticipated that there will be no further ducting required

**5. Conclusions**

5.1 The evaluation has been conducted in a fair, comprehensive, thorough and transparent process.

5.2 The Evaluation Team is confident that the procurement exercise has achieved Best Value and provides an upgrade in technology with a view to moving to the new HQ.

5.3 The Evaluation Team recommends that the PCC awards this contract to Bidder 1, contract period is for 5 years. Savings against Bidder 2 over the 5 years is £54,169.70

Jacqui Cheer  
Chief Constable

Evaluation team:

Procurement Category Leader – SopraSteria (on behalf of Cleveland Police)

ICT Business Partner – SopraSteria (on behalf of Cleveland Police)

Network Manager – SopraSteria (on behalf of Cleveland Police)