

**THE POLICE & CRIME COMMISSIONER FOR CLEVELAND****DECISION RECORD FORM****REQUEST:**

Approval for the award of Telephony Contract

Title:

Telephony Project

Following a Service Review a business case was submitted and approved for the upgrade of the telephony estate. The current estate is based on old technology which prevents the full roll out of agile working. In addition the annual support costs are £173k per annum.

The main objectives of the tender exercise are to upgrade the telephony estate whilst ensuring the 999 service provision is not at risk of loss during the project.

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 999 Services via a direct award to Unify for a 3 plus 2 year contract and for the Core and 101 Services to Bidder 1 on a 5 +2 year award basis to achieve maximum savings.

OPCC Lead Officer:

Michael Porter

Contractor Details (if applicable):

Unify and Bidder 1

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 £869,280. The total contract charges for Unify and Bidder 1 are £765,191.00 including capital expenditure. The revenue savings are £145,084.90 for year 1 and £157,290 for years 2-5, totalling revenue savings of £774,244.90 over the 5 year term. The financial implications from both a capital and revenue perspective are factored into the current plans of the organisation and significant revenue savings will be delivered from this investment.

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 arising from this decision.

Human Rights Implications

There are no Human Rights Act implications arising from this decision.

Sustainability Implications

There are no sustainability implications arising from this decision.

Risk Management Implications

Risks have been minimised by splitting the 999 service from the Core and 101 services and awarding this element to the existing provider via a direct award which is allowable under the framework.

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: 10/2/16

Police and Crime Commissioner:

The above request HAS my approval.

Signed:  Date: 10/2/16

Report of the Chief Constable to the Police and Crime Commissioner for Cleveland – February 2016

Status: For Decision

Procurement Report for the Telephony Project

1. Purpose

- 1.1 Cleveland Police currently have a telephony environment based on old technology which is supported by Unify under the PABX contract.
- 1.2 Up until May 2015 the on-going support costs for this contract were £211,202 per annum, however in May 2015 at the renewal of the contract a decision was made to reduce costs by removing the managed service which was under-utilised which reduced the annual support costs to £173,856.
- 1.3 The switches which form part of the telephony estate are based on old hardware and software versions which cannot be upgraded and therefore this does not allow the force to roll out full agile working and a lack of resilience for emergency and non-emergency calls.
- 1.4 Previous innovation funding enables the deployment of Cisco Unified Communication (UC) solution which partially delivered instant messaging, presence awareness and voicemail.
- 1.5 A business case for capital funding was submitted and approved to build on the investment identified on 1.4. The proposal was to replace the current PABX telephone switches with Cisco Unified Communications Manager to provide additional functionality including but not limited to enhanced voicemail, single number reach, improved voice activated directory services, ability to move locations during a call and facilitation of future integration of social media.
- 1.6 A tender exercise commenced to replace the telephony environment prior to the renewal of the existing support contract with Unify and a move to the New Community Safety Hub. The benefits foreseen as a result of the capital expenditure include:
 - Reduced annual support costs
 - Increased efficiencies through a reduction in officer time and travel costs to and from meetings
 - Reduced power consumption

- Reduced turnaround times for office moves
- Potential asset reduction through a possibility of using desktops and laptops rather than the traditional handset
- Additional functionality providing a better user experience

2. Recommendations

- 2.1 That the Police and Crime Commissioner note the Procurement process used to appoint suppliers for the Telephony Project and approve:
- Direct Award under the RM1045 Network Services Framework for the 999 Element to Unify for a period of 5 years with an option to extend for a further 2 years
 - Bidder 1 to be awarded the Core and 101 service for a period of 5 years with the option to extend for a further 2 years
- 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 route to market chosen is the recently awarded Crown Commercial Services Network Services Agreement RM1045. This Framework Agreement is split into 10 Lots.
- 3.2 Following advice from Crown Commercial Services, the procurement was carried out inviting bids from providers under Lot 10 and a separate exercise inviting bids from providers under Lots 5 and 8. Suppliers who provided services under all three lots were advised they only needed to respond on one of the procurements which were run in parallel to each other to ensure that all the major providers in the market were included in the bidding process.
- 3.3 During the procurement exercise, suppliers were invited to attend a conference call to provide clarity on the specification and requirements. Only 1 provider took up the opportunity, however to ensure fairness and transparency details of the questions asked and the answers were posted via the Bluelight portal to all potential bidders.
- 3.4 The original closing date was the 23rd December 2015 for bids to be submitted, however following a number of requests from bidders to extend the deadline due to the complexity the closing date was extended until 6th January. As a result of this procurement exercise only two providers submitted a response.
- 3.5 The submission responses were both over the anticipated budget, one significantly over both budget and its competitor. The evaluation team considered discounting the tender response from bidder 2 based on this, however made a decision to give bidder 2 an opportunity to look at their proposal and costs under the clarification process. In addition Bidder 1 was also asked to revisit its proposal.
- 3.6 During the clarification stage, Unify the current provider for the existing PABX Contract advised that they had opted out of bidding for the whole telephony project

as this was not their core business however as a 999 provider could provide a solution for this element.

- 3.7 RM1045 Network Services framework has the option for contracts to be placed either following a further competition or a direct award, therefore Unify was asked to submit a proposal based on upgrading the existing PABX estate for 999 under a direct award.
- 3.8 Bidder 1 and 2 were asked as part of the clarification process to provide a submission with the 999 solution removed as well as their submissions with it included, to enable an options review to be carried out based on awarding the whole Telephony project contract to one provider or split between a successful bidder for the Core and 101 services and Unify for the 999 service.
- 3.9 Bidder 2 opted to only submit a revised bid for the core and 101 services. Bidder 1 submitted a bid for both the total solution and one for only the core and 101 services.
- 3.10 The evaluation team have compared the options and are proposing that for the 999 service the contract is awarded to Unify via a direct award for the following reasons:
- Reduced risk and exposure of 999 service loss
 - Unify specialise in 999 services and therefore increased credibility and confidence in the solution offered
 - No interruption to service during go-live
 - Control Room staff already comfortable with the solution – therefore significant reduction in training
 - Minimal re-configuration work for current workflows
 - Project will be completed quicker and therefore reduced costs for SopraSteria element of work which are to be covered under an Impact Assessment.
- 3.11 Following evaluation of the bids received for the 101 and core service, the evaluation team are recommending awarding the contract to Bidder 1, based on the below evaluation scores:

Criteria	Weighting	Bidder 1	Bidder 2
Price	55%	55.0%	47.0%
Quality	45%	26.5%*	30.0%*
Total	100%	81.5%	77%

* Please note that 5% of the scores are excluded as this is relevant to 999 migration which has not been scored due to only bidder 1 offering a 999 solution and the recommended option is Option 1 which splits the 999 service from the core service.

4.5 Sustainability

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

4.6 Risk

There are no risks associated with the award of these contracts.

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 the 101 and core services to Bidder 1 and approves a direct award for the 999 services via the RM1045 framework to Unify.

5.4 The contract terms are 5 years with the option to extend for a further 2 years for Core Services and 101 and 3 years with the option to extend for a further 2 years for 999 Services delivering revenue savings of £774,244.90 over the 5 year term.

Iain Spittal
T/Chief Constable

Evaluation team:

Procurement and Fleet Lead Business Partner – SopraSteria (on behalf of Cleveland Police)

Head of ICT – SopraSteria (on behalf of Cleveland Police)

Network Manager – SopraSteria (on behalf of Cleveland Police)

Project Manager – SopraSteria (on behalf of Cleveland Police)