



# THE POLICE & CRIME COMMISSIONER FOR CLEVELAND

## DECISION RECORD FORM

**REQUEST:**

CPC-0001546 approval for the contract award for Data Centre Cloud Services

**Title:**

Data Centre Cloud Services

**Executive Summary:**

Cleveland Police currently have a physical data centre at Police HQ which consists of server racks which hold all of the key applications and software required to operate the Force.

In 2018, the current Police HQ will be sold and staff and equipment will move to the new Community Safety Hub (CSH). As part of the scoping exercise for which teams and equipment will move to the new CSH, it was identified that the costs to build a like for like physical data centre including equipment at the new CSH were significant and therefore alternative options were investigated.

Cloud Hosting Data Centre Services were identified as a possible solution to reduce the size of the physical data centre within the new CSH. This solution enables applications to be hosted off site in a secure data centre run by a third party supplier.

A Full EU Tender using open procedure was carried out and the most economically advantageous tender is being recommended to be awarded the contract.

**Decision:**

The PCC is asked to approve the procurement methods used and award the contract to Bidder 1 for 3 years with an optional 1 year extension.

**OPCC Lead Officer:**

Michael Porter

**Contractor Details (if applicable):**

**Implications:**

Has consideration been taken of the following:	Yes	No	
Financial			
Legal			
Equality & Diversity			
Human Rights			
Sustainability			
Risk			

(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 contract price will flex during the term of the contract as applications are added to the cloud, however in order to carry out a fair and transparent process, bidders were asked to price a specific scenario. This specific scenario for a 3 year period would lead to a contract price of £1,149,050, this is split between set up costs of £371,450 and annual running costs of £259,200.

On award of the contract, discussions will commence with the successful contractor to agree the minimum start up and this will be reported back to the PCC.

Currently there is no similar contract in place within the organisation as this is a completely new way to deliver this service for Cleveland Police. As a result of entering into this contract a number of costs will reduce in terms of both Capital and Revenue and more work will be done on this as the scope of how much is put into the cloud is developed.

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

Terms and Conditions are the PCC for Cleveland's standard terms.

### Equality and Diversity Implications

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

### Human Rights Implications

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

### Sustainability Implications

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

### Risk Management Implications

There are no risks associated with the award of this contract.

## 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: \_\_\_\_\_



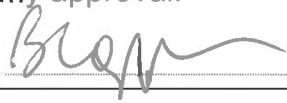
Date: \_\_\_\_\_

8/7/16

Police and Crime Commissioner: \_\_\_\_\_

The above request HAS my approval.

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

A handwritten signature in black ink, appearing to be 'Blaw', written over a horizontal line.

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

11/7/16

## **Report of the Chief Constable to the Police and Crime Commissioner for Cleveland – July 2016**

**Status: For Decision**

### **Procurement Report for the Cloud Data Centre Services**

#### **1. Purpose**

- 1.1 Cleveland Police currently have a physical data centre at Police HQ which consists of server racks which hold all of the key applications and software required to operate the Force.
- 1.2 In 2018, the current Police HQ will be sold and staff and equipment will move to the new Community Safety Hub (CSH) which is scheduled to be built in Hemlington. As part of the scoping exercise for which teams and equipment will move to the new CSH, it was identified that the costs to build a like for like physical data centre including equipment at the new CSH were significant and therefore alternative options were investigated.
- 1.3 Cloud Hosting Data Centre Services were identified as a possible solution to reduce the size of the physical data centre within the new CSH. This solution enables applications to be hosted off site in a secure data centre run by a third party supplier.
- 1.4 Crown Commercial Services have a G-Cloud framework which enables a compliant route to market without following a full tender exercise for the appointment of Cloud Services, however on commencement of the procurement exercise it became apparent that the G-Cloud framework did not meet our full requirements and a decision was made to carry out a full tender.

#### **2. Recommendations**

- 2.1 That the Police and Crime Commissioner note the Procurement process used to appoint supplier for Cloud Data Centre Services and award the contract to Bidder 1 for a period of three years with an option to extend for a further 1 year period.
- 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 an Open Tender, which allows all interested parties to participate in the tender.
- 3.2 In February, an advert was placed in the European Journal and the Bluelight E-tendering system inviting suppliers to bid for the service. Seventy Eight suppliers expressed an interest and accessed the documentation, however only eight bids were received by the closing date.
- 3.3 Out of the eight bids, two of the bids were a consortia bid, submitted twice to enable the PCC to make a decision as to who should be the lead contractor, therefore as all documentation was identical, only seven bids were evaluated.
- 3.4 The seven bids were evaluated by the evaluation team using the published evaluation criteria of 55% Price and 45% Quality, 5% of the quality was allocated to a Proof of Concept (POC) which bidders were advised that the top three scoring bids would be taken forward to participate in.
- 3.5 The Evaluation scores were

Bidder	Quality (not including POC)	Price	Total
1	22.5%	55.00%	77.50%
2	19.5%	43.30%	62.80%
3	29.5%	44.16%	73.66%
4	23.0%	38.54%	61.54%
5	21.0%	46.34%	67.34%
6	17.5%	45.06%	62.56%
7	18.5%	38.97%	57.47%

- 3.6 On completion of the initial evaluation, a decision was made to only take two bidders to the Proof of Concept stage, as the third place bidder would not be able to increase their total score following evaluation of the proof of concept sufficiently to be recommended as the preferred bidder.
- 3.7 Bidder 1 and Bidder 3 were invited to participate and all other bidders were advised that they were unsuccessful and where requested provided with a debrief.
- 3.8 The Proof of Concept consisted of a site visit to the data centres and then a pre-advertised scenario of uploading specifically identified applications to enable ICT to test links, response times for issues etc. The proof of concept took place for bidders in parallel over 3 weeks.
- 3.9 On completion of the Proof of Concept evaluation took place in line with the evaluation criteria published as part of the tender document set. The final scores for the two shortlisted bidders was:

Bidder	Quality	Price	Total
1	26%	55.00%	81%
3	31.5%	44.16%	76.16%

## 4. Implications

### 4.1 Finance

4.1.1 The contract price will flex throughout its life as applications are added to the cloud. In order to carry out a fair and transparent evaluation of the prices, bidders were asked to provide costs for a specific scenario. On award of the contract discussions will take place with bidder 1 to agree the minimum initial set up, on agreement of this minimum set up and costs a further report will be submitted to the PCC for clarification of the contract price.

4.1.2 The below figures include costs based on the scenario included in the tender:

Bidder	Set-up	Annual	Total Cost (3 Years)
1	£371,450	£259,200	£1,149,050
3	£217,720	£895,858	£2,905,294

### 4.2 Legal

Terms and Conditions are the Police and Crime Commissioners for Cleveland Contract terms.

### 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

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 contract for Cloud Data Centre Services to Bidder 1.

5.4 The contract term is 3 years with the option to extend for a further 1 year.

Iain Spittal  
T/Chief Constable

Evaluation team:

Procurement and Fleet Lead Business Partner –Cleveland Police

Solutions Architect – SopraSteria (on behalf of Cleveland Police)

Project Manager – SopraSteria (on behalf of Cleveland Police)

Performance Analyst and Development Officer – SopraSteria (on behalf of Cleveland Police)

Senior Systems Administrator – SopraSteria (on behalf of Cleveland Police)

Service and Support Manager – SopraSteria (on behalf of Cleveland Police)

Information Security Officer – SopraSteria (on behalf of Cleveland Police)