

Decision Pathway – Report



PURPOSE: Key decision

MEETING: Cabinet

DATE: 13 July 2021

TITLE	Re-tender of the Network and Telephony contract		
Ward(s)	All		
Author: Iain Godding	Job title: Head of Enterprise Architecture		
Cabinet lead: Cllr Craig Cheney	Executive Director lead: Mike Jackson, Chief Executive		
Proposal origin: BCC Staff			
Decision maker: Cabinet Member Decision forum: Cabinet			
Purpose of Report: <ol style="list-style-type: none">1. This report identifies the requirement to direct award a contract for the supplier of network and telephony services with Virgin media for a 12-month period.2. Cabinet approved the award of a 12-month contract, through the network services 2 framework for the supply of network and telephony services and that authority to award the contract is delegated to Director – Digital Transformation			
Evidence Base: <p>The council requires network and telephony services to carry out day to day operations and statutory requirements of the council, almost all areas of the business are now reliant on technology to carry out their service, the network and telephony infrastructure underpins all this technology.</p> <ol style="list-style-type: none">1. In April 2019 we initiated the IT Transformation Programme, one of the deliverables was to carry out an audit of our current network and telephony infrastructure and produce a high-level design to ensure we can continue to provide network and telephony services to support the organisation.2. In May 2020 we engaged the expertise of an external supplier to carry out the audit and produce a high-level design, following the completion of the audit in August 2020 it was clear that our current network and telephony infrastructure and the underlining connectivity methods were not sustainable.3. Following the audit in August 2020 we worked with the supplier to produce the high-level design which allowed us to understand our future requirements and review our procurement options at which point we engaged with procurement to bring this forward.4. Following a review of our procurement options with Crown Commercial Services and BCC procurement it was clear that we would not be able to fully re-procure our network and telephony estate and rollout new connectivity before the expiry of the Virgin Media contract in September 2021.5. To maintain critical services and reduce disruption to the organisation we have concluded that we need to seek an extension of the Virgin Media contract to maintain current services whilst running a future competition through CCS Network Services 2 Framework to secure a contract that will support our future network and telephony services. Previous approval was given to this contract in 2014 for a period of 7 years until September 2021. This request seeks to extend this contract to September 2022.			
Cabinet Member / Officer Recommendations: <p>That Cabinet:</p> <ol style="list-style-type: none">1. Approve the extension of the contract for Network and Telephony Services with Virgin Media to maintain council network and telephony services pending a full re-procurement of the service until no later than			

September 2022 at a cost of up to £1.4m.

2. Authorise the Director – Digital Transformation in consultation with the Deputy Mayor – Finance, Governance & Performance to take all steps necessary to award this contract extension.

Corporate Strategy alignment:

1. By extending the Virgin contract we can ensure time to procure a fully aligned solution. Which is a core component to our IT strategy, particularly contributing to two of the four Organisational Priorities outlined in the Corporate Strategy (p11):
 - (i) Redesign the council to work effectively as a smaller organisation.
 - (ii) Equip our colleagues to be as productive and efficient as possible.

City Benefits:

There are no specific or direct benefits to the city and there are no identified equalities impacts. However, without the Network Redesign, the Council’s network and telephony infrastructure will continue to degrade and will lead to disruption of critical services and lack the required cyber security controls to combat the escalating information security risk to Bristol City Council.

Consultation Details: None Required

Background Documents: The original Cabinet report to agree the current Virgin Media network and telephony contract was approved by the then Cabinet in 2014. The contract was for a period of 7 years to September 2021. There will be a new procurement process undertaken for the replacement system.

In terms of how it relates to the Corporate Strategy, this meets one of the 4 big organisational priorities; “Equip our colleagues to be as productive and efficient as possible”

Revenue Cost	Up to £1.4m for 1 year extension	Source of Revenue Funding	Digital Transformation Division General Fund Revenue Budget and ad hoc business specific cost centres (requests)
Capital Cost	N/A	Source of Capital Funding	N/A
One off cost <input type="checkbox"/>	Ongoing cost <input checked="" type="checkbox"/>	Saving Proposal <input type="checkbox"/>	Income generation proposal <input type="checkbox"/>

Required information to be completed by Financial/Legal/ICT/ HR partners:

1. Finance Advice: This report requests approval to directly award an extension of the Network and Telephony service contract to Virgin for an additional 1 year to September 2022. The service currently spends £1.4m p.a. on this contract. As long as the extension (subject to negotiation) does not exceed £1.4m it will in itself present no risk to budget. However, it should be noted that extension of this contract to September 2022 does close down one option by which the division might mitigate other pressures materialising against its 21/22 budget.

Finance Business Partner: Jemma Prince – 29 June 2021

2. Legal Advice: It is recognised that the extension of this contract places the Council in a situation where it may breach the procurement regulations. The fact that the direct award is required to allow time for the Council to follow a fully compliant procurement process for a new contract, will help mitigate the risk of challenge. Legal services will advise and assist officers with regard to the conduct of the proposed procurement process and the resulting contractual arrangements.

Legal Team Leader: Husinara Jones, Team Leader/Solicitor 1 July 2021

3. Implications on IT: Our intention was to complete the re-design of our network and telephony solutions as part of the IT Transformation Programme (ITTP) prior to re-contracting for right-sized and future-proof services as a whole. Delays to ITTP due to Coronavirus, alongside a change in Organisation Strategy as a result of the pandemic, has meant that we are reviewing our approach in light of future building and staffing strategy. As a result, we have taken an informed decision to remain ‘as is’ for an additional year to enable further planning activity which will return increased efficiency savings and better targeted services to the Council’s needs.

IT Team Leader: Simon Oliver, Director: Digital Transformation comments above 29 June 2021		
4. HR Advice: No HR implications evident.		
HR Partner: James Brereton (HR Business Partner), 29 June 2021		
EDM Sign-off	Mike Jackson	12.5.2021
Cabinet Member sign-off	Cllr Craig Cheney	18.5.2021
For Key Decisions - Mayor's Office sign-off	Mayor's Office	14 6.2021

Appendix A – Further essential background / detail on the proposal	NO
Appendix B – Details of consultation carried out - internal and external	NO
Appendix C – Summary of any engagement with scrutiny	NO
Appendix D – Risk assessment	YES
Appendix E – Equalities screening / impact assessment of proposal	YES
Appendix F – Eco-impact screening/ impact assessment of proposal	YES
Appendix G – Financial Advice	NO
Appendix H – Legal Advice	NO
Appendix I – Exempt Information	No
Appendix J – HR advice	NO
Appendix K – ICT	NO
Appendix L – Procurement	NO