

NORTH LINCOLNSHIRE COUNCIL

GOVERNANCE AND TRANSFORMATION CABINET MEMBER

YORKSHIRE & HUMBER REGIONAL NETWORK PROCUREMENT

1. OBJECT AND KEY POINTS IN THIS REPORT

- 1.1 This report sets out a proposal to establish a new contractual arrangement for the delivery of the council's data network services.
- 1.2 Contract procedure rules (CPRs) require procurement plans for contracts over £1m to be approved by the relevant Cabinet Member.
- 1.3 The report sets out a proposal to reprocur the current data network services contract as part of a regional multi agency collaborative partnership.

2. BACKGROUND INFORMATION

- 2.1 The council's current contract for fixed data network services with Interroute Communications Ltd expires in September 2018.
- 2.2 It provides all data telecoms for the council, including schools and academies. Current annual expenditure is approximately £500k.
- 2.3 Under statutory procurement rules, the council is obliged to carry out a re-procurement for these services to replace the expiring contract.
- 2.4 A regional joint procurement exercise - Yorkshire & Humber Public Services Network (YHPSN) is currently being planned. Partners from the following sectors have committed to participate:
 - Police
 - Local Authorities
 - NHS
 - Fire Services
- 2.5 The procurement is intended to deliver a single secure "network of networks" to all partner organisations, enabling:
 - Public Services Network (PSN) compliant connectivity (providing secure access to national services such as Department for Work & Pensions)

- Health and Social Care Network (HSCN) compliant connectivity (access to NHS spine applications)
- Ability to easily share information and applications across the regional partners securely such as police, fire and health.
- Multi tenanted buildings across the region using shared network connections with the potential to rationalise infrastructure and connectivity costs, enabling One Public Estate
- Economies of scale applied by collective buying power should deliver cost reduction and improved service provision
- Standard prices and services provided regardless of geographic location
- Standard technical, information assurance and service standards provided
- Potential for shared ICT infrastructure, applications, skills and services e.g. data centre, cloud services and applications

2.6 Crown Commercial Services (CCS) are building a new government procurement framework specifically for these services. This will replace the previous national RM1045 framework. It is envisaged that the framework will be available in September 2017. It is expected that the regional procurement will be initiated for competition under the framework around September/October 2017.

2.7 The IT Enablers, as part of Northern Lincolnshire Business Connect, aim to procure a single network to deliver connectivity to both North and North East Lincolnshire Councils under this exercise.

3. **OPTIONS FOR CONSIDERATION**

3.1 **OPTION 1** – Participate in the regional PSN multi-agency procurement exercise under the new national CCS framework

3.2 **OPTION 2** - Undertake our own EU procurement exercise

4. **ANALYSIS OF OPTIONS**

4.1 **Option 1** is our recommend approach to exploit the benefits set out in 2.5 above. Collective buying power and a single regional network provider should present greater transformational opportunities whilst reducing cost.

4.2 **Option 2** would not enable us to combine the greater buying power from the region to drive down costs. Joining up locally, regionally and nationally would become more difficult.

5. RESOURCE IMPLICATIONS (FINANCIAL, STAFFING, PROPERTY, IT)

5.1 A £15k contribution to assist the funding of resources to run regional procurement has been committed from the Transformational Challenge Award (TCA) funding. This is a joint contribution to cover North and North East Lincolnshire Councils.

5.2 £25k of TCA funds have been allocated to support the transition to the new single network infrastructure.

6. OUTCOMES OF INTEGRATED IMPACT ASSESSMENT (IF APPLICABLE)

6.1 N/A

7. OUTCOMES OF CONSULTATION AND CONFLICTS OF INTERESTS DECLARED

7.1 The Shared Services Officer Board have considered the proposal and option 1 was supported.

8. RECOMMENDATIONS

8.1 That the council participates in the regional multi-agency PSN procurement (Option 1) for the reprocurement of its data network services.

DIRECTOR OF POLICY AND RESOURCES

Civic Centre
Ashby Road
SCUNTHORPE
North Lincolnshire
DN16 1AB
Author: Paul Smith/Jason Whaler
Date: 24 January 2017

Background Papers used in the preparation of this report: None