

<b>Subject:</b>	<b>Wide Area Network Procurement</b>		
<b>Date of Meeting:</b>	<b>13 October 2011</b>		
<b>Report of:</b>	<b>Strategic Director, Resources</b>		
<b>Lead Cabinet Member:</b>	<b>Finance and Central Services</b>		
<b>Contact Officer:</b>	<b>Name:</b>	<b>Paul Colbran</b>	<b>Tel: 29-0283</b>
	<b>Email:</b>	<b>Paul.Colbran@brighton-hove.gov.uk</b>	
<b>Key Decision:</b>	<b>Yes</b>	<b>Forward Plan No: CAB25362</b>	
<b>Ward(s) affected:</b>	<b>All</b>		

**FOR GENERAL RELEASE****1. SUMMARY AND POLICY CONTEXT:**

- 1.1 On 14th July 2011 Cabinet gave approval to re-procure a Wide Area Network jointly with East Sussex County Council and local public sector partners for a contracted period of 5 years with an option to extend for a further period of up to 2 years as a Sussex Public Services Network (PSN).
- 1.3 Preparations are being made to commence a UK and EU procurement at the end of October 2011 adopting a model used successfully in the procurement of similar networks. The cross authority project group is proposing to increase the initial term of the contract by two years (from 5 years to 7 years) and to increase the option to extend the contract from 2 years to up to 3 years. This report therefore seeks approval from Cabinet to procure the Wide Area Network over the revised contract term

**2. RECOMMENDATIONS:**

- 2.1 That Cabinet notes the previous approval for procurement of a new Wide Area Network for a contract term of 5 years with an option to extend for a further period of up to 2 years.
- 2.2 That Cabinet agrees to a revised term of the contract from 5 years to 7 years and a revised option to extend the contract for a further period of up to 3 years (instead of 2).

### **3. RELEVANT BACKGROUND INFORMATION/CHRONOLOGY OF KEY EVENTS:**

- 3.1 The Council is dependent on the provision of consistent data services to operate efficiently. Without high performance connections to all its sites, the council would be unable to meet its obligations to support staff in meeting the needs of our residents, nor would it be able to provide certain services direct to residents through its web site.
- 3.2 The existing contract between Brighton & Hove City Council (BHCC) and Virgin Media Business (VMB) for the provision of a Voice and Data Service is due to expire in August 2012 with an option to extend for a further 1 year to August 2013.
- 3.3 Cabinet approved the procurement of a new contract on 14<sup>th</sup> July 2011 for a contract term of 5 years with an option to extend for a further 2 years. It is now considered beneficial to move to a longer contract term (a contract term of 7 years with an option to extend for 3 years) aligned to developments within the telecoms market, and so provide best value over the term through longer financial commitment allowing for reduced risk premiums

### **4. COMMUNITY ENGAGEMENT AND CONSULTATION**

- 4.1 Consultation with local public sector partners including Schools, Universities, Police, Health and Fire and Rescue services has taken place in preparation for the procurement process.

### **5. FINANCIAL & OTHER IMPLICATIONS:**

#### Financial Implications:

- 5.1 There is no change to the financial implications noted in Cabinet report for Wide Area Network 14<sup>th</sup> July 2011.

*Finance Officer Consulted: Mike Bentley Date: 04/10/11*

#### Legal Implications:

- 5.2 There is no change to the implications noted in Cabinet report for Wide Area Network 14<sup>th</sup> July 2011

*Lawyer Consulted: Sonia Likhari Date: 04/11/11*

#### Equalities Implications:

- 5.3 There is no change to the implications noted in Cabinet report for Wide Area Network 14<sup>th</sup> July 2011

#### Sustainability Implications:

- 5.4 There is no change to the implications noted in Cabinet report for Wide Area Network 14<sup>th</sup> July 2011

Crime & Disorder Implications:

- 5.5 No implications

Risk and Opportunity Management Implications:

- 5.6 Within the terms of the procurement appropriate measures and safeguards will be included which allows termination of the contract if supplier obligations are not being met.

Public Health Implications:

- 5.7 No implications

Corporate / Citywide Implications:

- 5.8 There is no change to the implications noted in Cabinet report for Wide Area Network 14<sup>th</sup> July 2011

**6. EVALUATION OF ANY ALTERNATIVE OPTION(S):**

- 6.1 The recommendation to increase the contract term by one year has been jointly agreed by Sussex PSN partners and stakeholders to offer best possible value over the term of the contract.

**7. REASONS FOR REPORT RECOMMENDATIONS**

- 7.1 It is considered beneficial to move to a longer contract term, aligned to developments within the telecoms market, and so provide best value over the term through longer financial commitment allowing for reduced risk premiums.

**SUPPORTING DOCUMENTATION**

**Appendices:**

None

**Documents in Members' Rooms**

None

**Background Documents**

1. Wide Area Network Procurement Cabinet report CAB23268

