

Report of **Datacomms Team Leader**

Report to **Chief Officer - ICT**

Date: **17 July 2014**

Subject: **Approval to waive contract procedure rules 8.1 & 8.2 and award a contract to BT IT Services Ltd for the provision of Point to Point Radio links.**

Are specific electoral Wards affected? If relevant, name(s) of Ward(s):	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Is the decision eligible for Call-In?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number: Appendix number:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

Summary of main issues

1. The Council has a contract in place with BT IT Services Ltd to provide support and maintenance on Cisco Hardware and 30 point to point Radio links, which expires on 31st March 2015.
2. A new procurement exercise has commenced for a replacement contract, however, as the radio links are ancillary to the main contract it is believed better value can be obtained by excluding these from the procurement exercise.
3. A tender for the Point to Point radio is being delayed until September 2015 to avoid resource constraints that would occur if too many contracts are tendered simultaneously by the network team.

Recommendations

1. The Chief Officer (ICT) is recommended to approve the waiver of Contract Procedure Rules 8.1 & 8.2 and enter into a contract with BT IT Services Ltd for the provision of Radio Link Maintenance until 30th September 2015. .

1. Purpose of this report

The purpose of this report is to extend the maintenance contracts for point to point radio equipment.

2. Background information

ICT services deliver wide area network services to numerous locations throughout the city. This network comprises a number of services and technologies. The services have developed over a number of years and use a mixture of Fibre optic, BT copper cable and Radio connections.

3. Main issues

Reason for Contracts Procedure Rules Waiver

This waiver is seeking approval to continue to use BT iNet for the maintenance of Radio equipment for a fixed period.

Consequences if the proposed action is not approved

A new tender process will need to be instigated for Radio maintenance. The network team is already in the middle of a major procurement for Cisco Maintenance and commencing a second tender at this time would impact upon the delivery of the service.

4 Corporate Considerations

n/a

4.1 Consultation and Engagement

The ICT Service & Infrastructure Manager, , ICT Infrastructure Manager and ICT Strategic Sourcing have been consulted regarding this extension and agree this short term contract extension is appropriate.

4.2 Equality and Diversity / Cohesion and Integration

There are no Equality and Diversity / Cohesion and Integration issues associated with this decision.

4.3 Council Policies and City Priorities

ICT is woven into the very fabric of the Council. The number one priority for the ICT function is to maintain the day-to-day service to users, citizens and partners. Furthermore, ICT will continue to play a key part in many business improvement projects. At the very heart of the ICT infrastructure are the networking components and it is vital that the availability of these components is maintained at all times. The networking infrastructure is key and underpins many of the national and local programs of work, examples such as:

- Unify workforce communications
- Employee and managers self service
- Workforce collaboration

- Shared services
- Location Independent working under Change in the Workplace.

Having the correct Network Radio Maintenance, support, design, supply and implementation services contract in place, to ensure the continued networking operation, is key to the success of these services as a whole.

4.4 Resources and Value for Money

The maintenance of the 30 radio links is managed on a per link basis. Each contract has a different start and end date. The contracts also have a range of cost dependant on the particular product type supported. These contracts do not co-terminate or have a common annual renewal date. The objective of this waiver is to co terminate all the contracts to a common anniversary of Sept 2015. BT have quoted for a pro-rata extension of all the contracts to this date (£31k). This extension does not attract any discounts due its short term.

The co-termination will save on management costs and bring all contracts to a common termination. This will enable IT to tender for a new single contract in the future. This new contract would commence on 1st October 2015. A tender for this will bring full competition to this element of the network. The new tender will also enable further savings to be made by having a longer term contract with better discounts for 3 year terms. The current contracts do not attract any term discounts.

The Radio links provide the Council with savings of over £2000 per link compared to using Landline connections.

The annualised cost for the service are £22K.

4.5 Legal Implications, Access to Information and Call In

The value of the service does not fall within the scope of the Public Contract Regulations.

The award value is an administrative decision and the waiver of the Contract Procedure Rules is a Significant Operational Decision..

4.6 Risk Management

The continuation of this contract with an established supplier is low risk.

The contract will be managed in accordance with the contract management plan.

5. Conclusions

To ensure continued maintenance of the Radio equipment installed by BT IT Services Ltd the contract should be extended to 30th September 2015.

6. Recommendations

The Chief Officer (ICT) is recommended to approve the waiver of Contract Procedure Rules 8.1 & 8.2 and enter into a contract with BT IT Services Ltd for the provision of Radio Link Maintenance until 30th September 2015. .

7 Background documents

none