

Report of: Head of Operational Services

Report to: Chief Digital and Information Officer

Date: 30th June 2020

Subject: Decision to accept BT Plc proposal for interim network solution

Are specific electoral wards affected?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
If yes, name(s) of ward(s):	
Has consultation been carried out?	<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
Will the decision be open for call-in?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
If relevant, access to information procedure rule number:	
Appendix number:	

Summary

1. Main issues

- Leeds City Council awarded a contract to BT Plc on 27th February 2020 for a full fibre network to replace the existing contracts with Virgin Media Business (incumbent) for the Corporate WAN and ICT4Leeds schools (Scheme ID: LCCITS120033 and Scheme ID: LCCITS201333).
- These two contracts had deadlines of the 30th December 2020 for the Corporate WAN and 31st March 2021 for ICT4Leeds. The ICT4Leeds contract has a 24 month extension option within the contract. The Corporate WAN has no extension option available.
- The COVID pandemic and lockdown resulted in Openreach prioritising critical national infrastructure NHS orders only and therefore the commencement of the Leeds Full Fibre Programme (LFFP) orders were delayed.
- The incumbent supplier was asked to provide extension options for the two contracts using regulation 72(1)(c) under the Public Contract Regulations 2015 which allows extension due to COVID. However this request resulted in an unacceptable and non compliant response.
- Therefore BT Plc were asked to work up an interim solution to migrate the corporate WAN by 30th December 2020.

2. Best Council Plan Implications

- This work will support the Sustainable Infrastructure element of the Best Council plan, specifically strengthening digital and data ‘Smart City’ infrastructure and increasing digital inclusion.

3. Resource Implications

- This work will be managed within the DIS Full Fibre programme and has no additional resource requirement.

Recommendations

- a) It is recommended that the Chief Information and Digital Officer approves the acceptance of the BT Plc interim solution proposal to migrate a subset of Corporate WAN sites by 30th December 2020.

1. Purpose of this report

- 1.1 This report will explain the rationale for accepting the proposal from BT Plc to deploy an interim solution for a subset of Corporate WAN sites by the deadline of 30th December 2020.

2. Background information

- 2.1 Virgin Media Business currently provide the network service for the Corporate WAN and ICT4Leeds Schools.
- 2.2 These two contracts were purchased via different routes, the Corporate WAN is via the YHPSN with a contract end date of 30th December 2020. This contract has no extension options available.
- 2.3 The ICT4Leeds contract is supplied via the Crown Commercial Service RM860, PSN Connectivity framework contract with an end date of 31st March 2021. This contract has extension options up to 24 months.
- 2.4 The COVID pandemic and lockdown resulted in Openreach prioritising critical national infrastructure NHS orders only and therefore the commencement of the Leeds Full Fibre Programme (LFFP) orders were delayed.
- 2.5 Cabinet Office published a Procurement Policy Note – Responding to COVID-19 (Information Note PPN 1/20) in March 2020. This note specified that due to the pandemic it was clear that in these exceptional circumstances, authorities may need to procure goods, services and works with extreme urgency. Authorities are permitted to do this using regulation 72(1)(c) under the Public Contract Regulations 2015.
- 2.6 Virgin Media Business were formally asked to extend both contracts by 12 months on the 7th April 2020.

3. Main issues

- 3.1 On the 7th April 2020 a formal request was provided to Virgin Media Business to extend the two contracts. A response was not received until the 27th May 2020

which following review was not compliant with Corporate Procurement Rules and therefore was unacceptable.

- 3.2 It was agreed by the LFFP team to extend the ICT4Leeds schools for 12 months using the extension available within the VMB contract.
- 3.3 BT Plc were formally asked to work up an interim solution proposal to allow the Corporate WAN contract to be exited with Virgin Media Business by 30th December 2020.
- 3.4 BT Plc provided a proposal for the interim solution on the 15th June 2020. Following internal review by the LFFP programme team this proposal has been accepted as the only viable option to migrate off the incumbent contract.
- 3.5 BT Plc reviewed the sites on the Corporate WAN contract to see where Full Fibre Infrastructure Build (FFIB) had already been delivered in the city, these sites will receive the full solution as agreed within the contract.
- 3.6 Where sites will not have FFIB built by the contract deadline, BT Plc have proposed an alternative solution using 4G Rapid Site in the first instance. If this solution is not suitable at a site and alternative technology will be deployed.

4. Corporate considerations

4.1 Consultation and engagement

- 4.1.1 None has been undertaken regarding this decision.

4.2 Equality and diversity / cohesion and integration

- 4.2.1 There are no implications in this regard for this decision.

4.3 Council policies and the Best Council Plan

- 4.3.1 The LFFP contract was award in line with Council policies and supports the 21st Century Infrastructure and Smart Cities ambitions in the Best Council Plan.
Climate Emergency
- 4.3.2 The LFFP programme delivers a full fibre network for circa 1400 sites and will enable reduced travel in the city via improved connectivity in homes to support learning and the ability to work from home.
- 4.3.3 The full fibre network will provide the backhaul to underpin digital infrastructure in the city which will ultimately be used to support the internet of things, sensors and Smart City ambition's

4.4 Resources, procurement and value for money

- 4.4.1 This programme of works will be managed within the Full Fibre Programme with Chris Brennan acting as the DIS lead.
- 4.4.2 The interim solution proposed by BT Plc will incur a cost of £453k to deliver. This cost will be managed within the LFFP budget using a refund from the 2020/21 Virgin Media bill and existing Operational budgets.

- 4.4.3 BT have demonstrated their significant commitment to ensure that the Council's Corporate WAN sites will not be left without connectivity at the end of December. In the event that the date is not achieved then BT will only invoice the final 25% of the total amount upon completion of all the P1 sites and 90% of the full site list.
- 4.4.4 Further, BT have also shown an understanding of the dynamic position with regards the Council's assets, as such BT will reduce the total amount of this interim delivery cost by £1000 per site for every site that the Council confirms as being removed (closure and disposal) from the core site list due to Covid-19.

4.5 Legal implications, access to information, and call-in

- 4.5.1 This is a Significant Operational Decision and is not eligible for call in.

4.6 Risk management

- 4.6.1 There is a risk that some sites will not be migrated by the deadline of the 30th December to the full interim proposal. This risk is mitigated by the deployment of an enterprise grade 4G Rapid Site solution to ensure connectivity is provided.
- 4.6.2 Additionally the LFFF team are working closely with Asset Management to understand which buildings post COVID may not reopen and prioritise them accordingly to ensure effort is focused on the critical sites.
- 4.6.3 DIS are in negotiation with the incumbent supplier of the Corporate WAN, Virgin Media Business to leave any sites which are at risk of not migrating to BT by the 30th December lit on the Virgin network. This negotiation is ongoing and is being supported by Crown Commercial Services.

5. Conclusions

- 5.1 The proposal from BT Plc provides the only viable route to exit the VMB contract by the 30th December 2020 deadline.

6. Recommendations

- 6.1 It is recommended that the Chief Information and Digital Officer approves the decision to accept the proposal from BT Plc to migrate Corporate WAN sites to the interim solution.

7. Background documents¹

None.

¹ The background documents listed in this section are available to download from the council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.