

WRITTEN STATEMENT OF A KEY DECISION CABINET MEMBER FINANCIAL MANAGEMENT AND ICT

ITEM:	HEREFORDSHIRE WIDE AREA NETWORK SERVICES PROCUREMENT
Date of Decision:	30 June 2017
Exempt:	No
Confidential	No
This is a key decision because it is likely to result in the council incurring expenditure which is, or the making of savings which are, significant having regard to the council's budget for the service or function concerned. A threshold of £500,000 is regarded as significant.	
A notice was served in accordance with Part 3, Section 9 (Publicity in connection with key decisions) of The Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012.	
Urgency/Special Urgency: (As defined in Constitution)	No
Purpose:	The purpose of this report is to obtain approval to procure and award a new contract for the provision of wide area network (WAN) services for Herefordshire Council and its partners.
Decision:	<p>THAT:</p> <p>(a) the scope of the Herefordshire wide area network (WAN) service and the procurement approach as set out in the report be approved; and</p> <p>(b) the director for economy, communities and corporate be authorised to award a contract for the Herefordshire WAN services to the supplier who submits the highest scoring bid, for a period of up to seven years within a maximum contract value of up to £4.2M (average of £600k per annum).</p>
Reasons for the Decision:	<p>To ensure that the service requirements for the Herefordshire WAN are competitively tendered, allowing time for a smooth transition of services prior to the end of the current contract on the 31 March 2018.</p> <p>To ensure the new contract duration enables the opportunity for delivery of improved services and reduced costs of up to an estimated 15% on the current annual service charges. Any reductions identified may be reinvested to fund service improvements subject to agreement by the stakeholders.</p>
Options Considered:	Option 1 – Do Nothing: Under this scenario the council's contract with Udata Infrastructure Ltd (Udata) would end on

	<p>31 March 2018, Updata would have due cause to cease the data connectivity services to the council and its partners. This option is therefore not recommended</p> <p>Option 2 – procure WAN services for Herefordshire council only. This option would be a regressive step in relation to technology enabling integration between the council and other public service providers in the county. The objective to continuously aggregate services where feasible in order to benefit from economies of scale across public sector organisations should be maintained. In addition the council would lose the contributions made by partner organisations for the core network. This option is therefore not recommended.</p> <p>Option 3 (Recommended) – Re-procure the current contract and enable the inclusion of additional services to meet the needs to the council and partner organisations. This would enable the council and NHS partners to continue to strategically facilitate the objectives associated to delivering efficiencies related to public sector spending by testing the market for better value, aggregating common services to benefit from economies of scale and by minimising ICT barriers to delivering a more seamless service to the communities that are served.</p>
<p>Conflict of Interest ■ (See below):</p>	
<p>Date the key decision is due to take effect:</p>	<p>7 July 2017</p>

<p>COUNCILLOR N SHAW Date: 30 June 2017 Cabinet member financial management and ICT</p>
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■ a record of any conflict of interest declared by any executive member who is consulted by the member which relates to the decision;

And

■ in respect of any declared conflict of interest, a note of dispensation granted by the relevant local authority’s head of paid service.