

Record of officer decision

Decision title:	Herefordshire wide area network services placement of orders prior to contract award
Date of decision:	Required for 22nd November 2017
Decision maker:	Director for Economy Communities and Corporate
Authority for delegated decision:	An executive decision authorising the officer to undertake this decision contained in the Herefordshire wide area network services procurement decision report. The authorisation limit obtained (£4.2M) is sufficient for this decision.
Ward:	Countywide
Consultation:	Partner Organisations: Wye Valley NHS Trust, Herefordshire CCG and 2Gether NHS Foundation Trust.
Decision made:	a) Approval is given to place cancellable orders for site connections prior to contract award planned for before 11 th December 2017. These orders will begin a process to survey sites and subsequently connect them to the new Wide Area Network provided by MLL Telecom.
Reasons for decision:	<p>Early ordering of connections is required in order to mitigate risks as follows:</p> <ul style="list-style-type: none"> • The procurement required that all sites were transitioned by 1st April 2018 or that the supplier would compensate for sites that remain with the incumbent (Updata) after this date. The plan proposed by MLL estimated a completion date of 15th June 2018 based on starting after 5th January. • This timescale is aggressive and has risk that the full transition will not be completed in time. It requires an extension of the existing contract with Updata. Updata have indicated that a minimum 6 month or 12 month extension may be required, which would delay savings and potentially increase dual running costs significantly. • MLL are able to move the start date forward by 5 weeks by placing cancellable orders for sites early, which could enable completion by mid to late April. This would mean placing orders prior to contract award (expected before 11th December 2017). Completing early would strengthen Herefordshire Council's negotiating position with Updata on their extension by opening up options to reduce any potential costs to Updata. • MLL have confirmed in writing that orders placed now may be cancelled before the first survey is completed. "The Council will not incur any cancellation charges if we cancel orders prior to a site survey being completed". • No surveys will be completed until after contract award. • An earlier end date increases savings that can be realised by all partners in Year 1 by switching to a lower tariff earlier in the year.

Highlight any associated risks/finance/legal/equality considerations:	<ol style="list-style-type: none"> 1 Risk that the Council may become liable for charges prior to a formal decision to award the contract to MLL. <ol style="list-style-type: none"> a) Mitigation: Agreements to place orders will be provisional on the condition that no surveys will be arranged to begin contract award. 2 Risk that resources will not be available to meet an earlier start date. <ol style="list-style-type: none"> a) Resources have been agreed and arranged internally to meet the earlier start date. This includes resources to accompany site visits.
Details of any alternative options considered and rejected:	<p>Option 1 – Do nothing: the transition would carry a significant risk that the planned completion dates may not be achieved. This would increase costs to partners.</p> <p>Option 2 – Place orders after the decision to award the contract is made: this option would mean that orders and survey would coincide with the Christmas holiday period. This would mean that effective start date would remain as originally proposed and therefore benefits from an early start would not be realised.</p>

Details of any declarations of interest made:	If any officers or members involved or consulted in the decision-making have declared an interest you should include the declaration here.
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Signed..... Date: