

<b>MEETING:</b>	<b>CABINET – HIGHWAYS &amp; TRANSPORTATION</b>
<b>MEETING DATE:</b>	<b>25 JULY 2013</b>
<b>TITLE OF REPORT:</b>	<b>HEREFORDSHIRE COUNTY NETWORK RENEWAL (PSN)</b>
<b>REPORT BY:</b>	<b>ASSISTANT DIRECTOR PEOPLE, POLICY &amp; PARTNERSHIPS</b>

## 1. Classification

Open

## 2. Key Decision

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 to which the decision relates.

NOTICE has been 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

## 3. Wards Affected

County-wide

## 4. Purpose

The Wide Area Network service contract for Herefordshire Council and partners is due for renewal in March 2014. The contract is currently managed by Udata Infrastructure UK Ltd, which costs the Council approximately £435,000 per annum. Herefordshire Council are working with Hoople to ensure that the replacement contract delivers value for money. One of the collaborative options available to the Council will require full commitment to contractually engage by August 8th 2013. Full details of the proposal will not be available for Cabinet.

Cabinet is asked to agree the approach and delegate decision making about the preferred option to the Assistant Director People, Policy & Partnerships in order that the timeline for this work can be achieved. This decision will be made after consideration by the IM&T Board (29<sup>th</sup> July 2013), and in consultation with the Cabinet Member Highways and Transport, Chief Financial Officer and Solicitor to the Council (31<sup>st</sup> July 2013). This decision can only be made when in full knowledge of the proposed contract details which will not be available at time of cabinet report, and needs to be made by the 8<sup>th</sup> August to comply with one of the option requirements.

The appendix to this report provides an update on the progress made towards re-

procuring a Network Connectivity contract for Herefordshire Council in time for the current contract end date of March 2014.

## **5. Recommendation(s)**

**THAT:**

- (a) **the Assistant Director People, Policy & Partnership is granted delegated authority, in consultation with the Cabinet Member Highways and Transportation, Chief Financial Officer and Solicitor to the Council, to make the decision on the Wide Area Network re-procurement for Herefordshire Council;**

## **6. Alternative Options**

The Wide Area Network provision, maintenance and support requires renewal for March 2014. It is essential that the Council's Wide Area Network (and that of schools and NHS) is supported and under contract to ensure the smooth running of important data circuits and telephony services. The alternative options as outlined in the document are:

- 6.1 To procure network provision independently for the council and its local partners only.
- 6.2 To procure WAN provision through Staffordshire County Council's Framework Agreement.
- 6.3 To procure network provision collaboratively through the West Midlands collaborative PSN.

## **7. Reasons for Recommendations**

- 7.1 There are a number of timescale constraints. Cabinet is therefore asked to agree the approach being taken and to delegate authority to Assistant Director, People Policy and Partnerships for the consideration of the options and final decision on the way forward.

## **8. Key Considerations**

- 8.1 The objective is to ensure that due consideration is given to the renewal of WAN provision in Herefordshire for the next 3 years;
- 8.2 To ensure that provision is provided with maximum value for money; with a provider that will work with the partners to reduce costs year on year;
- 8.3 To ensure that all options are considered which includes a West Midlands collaborative opportunity where the decision is required prior to August 8th 2013;  
To ensure that provision serves all partners including Wye Valley NHS Trust,

- 8.4 Together and Herefordshire CCG, and that appropriate mitigation is in place should a partner exit the agreement;
- 8.5 To ensure that opportunity is provided to schools to take advantage of any cost benefits, providing a network that is fit for purpose;
- 8.6 The approval date scheduled for Wye Valley NHS Trust is the 24<sup>th</sup> July.
- 8.7 It is essential that the Council's Wide Area Network (and that of schools and NHS) is supported and under contract to ensure the smooth running of important data circuits and telephony services.

## **9. Community Impact**

- 9.1 Providing our partners and schools with a reliable network, whilst looking to reduce costs and increase data security will have a positive effect on the community.

## **10. Equality and Human Rights**

There are no identified implications to our equality duty.

## **11. Financial Implications**

- 11.1 The current agreement has cost the partners £773,000 for this financial year, of which £435,000 is apportioned to the Council. It is likely that this spend will be reduced with a new agreement. Additionally, tariff based options will be available to schools, where currently only 1 option is available.

The decision to award a contract will have to balance cost with duration of the contract in order to provide financial flexibility. This is important given the central government funding reductions.

## **12. Legal Implications**

- 12.1 The three options considered in the appendix appear to be EU procurement compliant. However, further legal input will be necessary on the form of contract once the further details of the proposed agreement become known later this month. This will be addressed as part of the final decision-making process.

## **13. Risk Management**

- 13.1 If this proposal is not agreed then it is possible that Herefordshire Council and partners will not be able to take advantage of potential cost savings and collaborative opportunities through the West Midlands PSN.

## **14. Consultees**

- 14.1 Internal consultation has taken place;
- 14.2 General Overview & Scrutiny Committee members reviewed the proposal on the 6th June 2013;
- 14.3 Cabinet Member, Highways and Transportation
- 14.4 Management Board

## **15. Appendices**

- 15.1 Appendix 1 – HerefordshireNetworkRenewal.doc

## **16. Background Papers**

- 16.1 None identified.