

To: Procurement Sub Committee

On: Wednesday 17th February 2016

Report by:

**Joint Report
by
The Chief Executive & Director of Finance and Resources**

**Contract Authorisation Report
Provision of a Wide Area Network**

1. Summary

- 1.1 The purpose of this paper is to seek the approval of the Procurement Sub Committee to award a contract for the Provision of a Wide Area Network, reference RC/RC/104/16.
- 1.2 The procurement exercise was conducted in accordance with the Call Off Contract requirements under the CCS Framework Agreement RM 1045 the Council's Standing Orders Relating to Contracts for above EU Threshold Open Procedure (Supplies and Services).
- 1.3 A contract strategy document has been approved by the Head of Policy and Commissioning and Head of Information and Communications Technology for the Provision of a Wide Area Network.

2. Recommendations

- 2.1 It is recommended that the Procurement Sub Committee authorise:
 - 2.1.1 The Head of Corporate Governance to award the Contract for Provision of a Wide Area Network, reference RC/RC/104/16, to Virgin Media Business Limited following mini-competition under Lot 1 of the CCS Network Services Framework RM1045.

2.1.2 The value of the contract at £2,158,648.14 and full contract value to be £3,052,012.71 if extension periods are utilised.

2.1.3 Contract duration of 4 years with the option to extend on two separate occasions for a further 12 months. The contract is anticipated to commence on 6th May 2016.

3. Background

3.1 On 23 April 2008 the General Management and Finance Policy Board approved the need to replace the Council's Wide Area Network (WAN) which resulted in the current network infrastructure being deployed in 2009. The current contract is due to expire on 5 May 2016. In order to provide the infrastructure for the implementation of the Council's strategic initiatives over the next 4 to 6 years, Renfrewshire Council now needs to replace its Wide Area Network (WAN) with a supplier to provide the appropriate circuits and active equipment and provide both the Council's internal and external customers with exemplary levels of customer service.

3.2 It is anticipated the awarded supplier will partner with Renfrewshire Council in order to design and develop a network to support the future needs of the Council. One of the desired outcomes being a reduced number of revenue dependant sites.

3.3 The procurement exercise was tendered as a Mini Competition under the Crown Commercial Services (CCS) Network Services Framework (RM1045) utilising Lot 1 – Data Access Services also in accordance with the framework requirements and also conducted in accordance with Council's Standing Orders Relating to Contracts for below EU Threshold Open Procedure (Supplies and Services).

3.4 All twenty six (26) framework suppliers on Lot 1 of RM1045 were invited to participate. At the deadline for tender submissions, 12 noon on Wednesday 26th November 2015, two (2) submissions had been received.

3.5 Tender submissions were then evaluated against a set of award criteria which was based on a price / quality ratio of 30% / 70%. The scores relative to the award criteria of each tenderer are as follows:

Supplier	Price (30%)	Quality (70%)	Total Score
Virgin Media Business Limited	30.00%	47.97%	77.97%
Pinacel Solutions UK Ltd	10.68%	41.48%	52.16%

3.6 It is recommended that the Contract is awarded to Virgin Media Business Limited, who after evaluation of the Tender Submissions received, have provided the most economically advantageous tender.

- 3.7 Financial costs in respect of this Contract will be met from the Service's capital and revenue budgets..
- 3.8 Virgin Media Business Limited have committed to delivery of the following community benefits as a result of delivery of this contract:
- 6 x Modern Apprentices
 - 2 x Non financial support for a community project
 - "Switched on Families"
 - "Switched on Futures"
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Implications of the Report

1. Financial

Financial costs in respect of this Contract will be met from the Service's capital and revenue budgets.

2. HR and Organisational Development

None.

3. Community Planning

None

4. Legal

The procurement exercise was tendered in accordance with Council's Standing Orders Relating to Contracts for below EU Threshold Open Procedure (Supplies and Services).

5. Property

None.

6. Information Technology

This procedure undertaken will ensure continuous supply and ongoing support for the Councils requirements in relation to WAN.

7. Equality & Human Rights

None

8. Health and Safety

None

9. Procurement

The procurement procedure outlined within this report shall ensure that the Council meets its statutory requirements in respect of procurement procedures, efficiency and Modern Government.

10. Risk

None.

11. Privacy Impact

PIA Undertaken and completed, a Data Processing Agreement (DPA) will be agreed and formalised with the awarded supplier

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