

<b>DECISION TITLE: Variation to the Serco Managed ICT Service Agreement for additional connectivity to the fibre network</b>
<b>Councillor David Seaton: Cabinet Member for Resources</b>
<b>June 2016</b>
<b>Deadline date: June 2016</b>

Cabinet portfolio holder: Responsible Director:	Councillor David Seaton: Cabinet Member for Resources John Harrison: Corporate Director: Resources
Is this a Key Decision?	YES If yes has it been included on the Forward Plan : YES Unique Key decision Reference from Forward Plan : KEY/21MAR16/04
Is this decision eligible for call-in?	YES
Does this Public report have any annex that contains exempt information?	NO
Is this a project and if so has it been registered on Verto?	Yes – PR002193

## RECOMMENDATIONS

The Cabinet Member is recommended to:

1. Approve a Change Control Notice for the Council's existing ICT Managed Service Contract with Serco to enable the provision of an additional 220 connectivity access points across the Council's CityFibre network
2. Authorise the Corporate Director: Resources to vary this Change Control Notice if, during the implementation stage, the Council has to amend its detailed business requirements.

### 1. SUMMARY OF MAIN ISSUES

- 1.1 This report seeks the Cabinet Member's approval for a Change Control Notice to the existing ICT Managed Service Agreement with Serco to enable the provision of an additional 220 connectivity access points across the Council's CityFibre network for use by the Council.

- 1.2 The additional access points will enable the Council to attach a number of different end point devices to the network to further enhance services provided by the Council and to future proof the Council by providing the core connectivity infrastructure for emerging technologies.

## 2. PURPOSE OF THIS REPORT

- 2.1 This report is for the Cabinet Member for Resources to consider exercising delegated authority under paragraph 3.4.8(a) of Part 3 of the constitution in accordance with the terms of their portfolio at paragraphs (p).

## 3. TIMESCALE

Is this a Major Policy Item/Statutory Plan?	<b>NO</b>
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## 4. DETAILS OF DECISION REQUIRED

- 4.1 The decision maker is asked to:

4.1.1 Approve a Change Control Notice to the existing ICT Managed Service Agreement with Serco to enable the provision of an additional 220 connectivity access points across the Council's CityFibre network for use by the Council; and

4.1.2 Authorise the Corporate Director: Resources to vary this Change Control Notice if, during the implementation stage, the Council has to amend its detailed business requirements. Any variation to this Change Control Notice shall not increase the value referred to within the Financial Implications at section 9.1 of this decision notice.

- 4.2 On 30 September 2009, the Council entered into an agreement with Serco for the provision of an ICT Managed Service. On 4 November 2013, Cabinet agreed to a Change Control Notice ("2013 Change Control Notice") in respect of the Council's ICT Managed Service Contract with Serco to enable the provision of connectivity to the Council of a dark fibre network; for Serco to enter into a contract with CityFibre Holdings for the provision by CityFibre of a dark fibre network with connectivity; and Serco to implement a new model of provision of the council's current network infrastructure to a dark fibre model.

- 4.3 Further to Cabinet approval in November 2013, dark fibre connectivity has been accomplished at 106 access points, consisting of schools, Council buildings, Wi-Fi connection points and health sites. The Council now requires dark fibre connectivity to an additional 220 access points distributed throughout the city and to be delivered as part of this network. One of the key objectives of Serco's appointment was the delivery ICT infrastructure and technologies that can help the Council meet its growing transformational aspirations and in connection with this, Serco have managed the connectivity and use of part of the dark fibre network for the Council's use.

- 4.4 The access points can be utilised by a number of end user devices, which could include the connectivity of CCTV cameras, Wi-Fi connection points, Information Traffic System

improvements and IOT (Internet of Things – which is the network of physical objects that enables these objects to collect and exchange data) sensors. The procurement of any end user devices is specifically excluded from this CMDN and would be subject to a separate business case, procurement and relevant approvals.

4.5 By utilising access points, rather than point to point fibre, allows the Council to connect multiple devices to a single access point, whereas point to point fibre would only allow for one device per end point. The benefits of these access points include:

4.5.1 In relation to connectivity of CCTV cameras to the network, (wireless communications between cameras and control rooms) this will provide the Council with access to a platform whereby following upgrade, the cameras will capture high definition images, it also allows the council to move to Wi-Fi based cameras that can be moved around if required rather than fixed point cameras.

4.5.2 Use by the Information Traffic System to replace current SIM cards that are used in traffic lights to relay data back to the Council.

4.5.3 The attachment of Wi-Fi access points, improving the accessibility of Wi-Fi across the city. This is particularly beneficial as the Council looks to move to a more online transactional approach to delivering services.

4.6 A key objective of the ICT Managed Service Contract was for the delivery of infrastructure and technologies that would assist the Council in meeting its growing transformational aspirations and align with some of the Council's key outcomes contained within the Sustainable Community Strategy 2008 – 2021, which include investing in sustainable infrastructure to create wider access to digital services and delivering substantial and truly sustainable growth.

4.7 The Change Control Notice value will comprise of three elements: (1) Licence acquisition; (2) implementation project management; and (3) additional hardware requirements. This will enable the provision of the additional 220 connectivity access points across the council's Cityfibre network, by way of network design, build, fibre installation and test, and hardware installation at the sites of connectivity access points. The Licence for Network Access and Maintenance entered into between CityFibre and Serco, subsequent to the 2013 Change Control Notice, will be varied to reflect the additional 220 connectivity access points on the dark fibre network.

4.8 Continuing the Council's move towards becoming a Smart City following the previous award of monies under the Future City Demonstrator programme and its recent award of Worlds Smartest City, having access points across the city will allow for all types of IOT sensors to be located across the city. These could range from sensors that measure air quality or pollution, through to traffic levels and environmental factors. The data collected by these sensors would be utilised by the Council to start to understand and measure the health of the city and to help define future policies or strategies. IOT is a relatively new area of study and is constantly evolving and improving our understanding of cities and how they operate.

## **5. CONSULTATION**

5.1 The project was included in the Council's 2016/2017 Budget and accordingly the required investment for this project was consulted on as part of the Council's overall budget consultation in January 2016.

5.2 The budget consultation was taken to full Council on 9 March 2016 for all members to consider.

- 5.3 As part of the preparation and delivery of the additional connectivity access points there will be continued consultation with internal service users and Serco's Technical Lead.

## **6. ANTICIPATED OUTCOMES**

- 6.1 Approval to proceed with a Change Control Notice to the existing ICT Managed Service Agreement with Serco to enable the provision of an additional 220 connectivity access points across the Council's CityFibre network for use by the Council. The Change Control Notice will comprise of three elements: (1) Licence acquisition; (2) implementation project management; and (3) additional hardware requirements. This will enable the provision of the additional 220 connectivity access points across the council's CityFibre network, modelled against current CCTV and Information Traffic System (ITS) locations.

The Licence for Network Access and Maintenance entered into between CityFibre and Serco, subsequent to the 2013 Change Control Notice, will be varied to reflect the additional 220 connectivity access points on the dark fibre network. The Licence will provide access to CityFibre's dark fibre network for the city, plus managed network maintenance for a period of 20 years.

## **7. REASONS FOR RECOMMENDATIONS & ANY RELEVANT BACKGROUND INFORMATION**

- 7.1 The investment in the additional access points will further enhance Peterborough's reputation as being a Gigabit city and leading the way across with UK with regards to connectivity. The access points will allow the Council to utilise the network for a number of other services such as the connectivity of CCTV cameras (wireless communications between cameras and control rooms) and Information Traffic System improvements, whilst allowing for future roll outs of Citywide Wi-Fi and future proofing the city for future developments in the world of IOT and Smart cities. Undertaking the work to provide the access points at this time enables utilisation of existing resources to undertake the required work at a more financially beneficial rate than revisiting the network in the future, whilst also giving the Council the future proofing it needs as the world becomes more and more digitally connected for the benefit of its residents.
- 7.2 By having the fibre network in place with the additional access points the Council may be in a position to provide enhanced services across the city.

## **8. ALTERNATIVE OPTIONS CONSIDERED**

The following alternative options were considered and rejected:

- 8.1 Do nothing:  
This option has been rejected due to the reasons mentioned in section 4. The access points will allow a number of services to run over the fibre network that is already in place, as well as allow for future services to also be added without having the disruption of retrofitting more access points or moving from a point to point fibre model rather than utilising access points that can handle multiple devices.

## **9. IMPLICATIONS**

### **9.1 Financial:**

9.1.1 The Change Control cost for the Council is up to £2.5m, which includes:

- The provision of an additional 220 connectivity access points across the Council's CityFibre network; The Licence acquisition for the additional access points which will provide access to CityFibre's dark fibre network for the city, plus managed network maintenance for a period of 20 years;
- Implementation project management; and
- Additional hardware requirements.

Payments in respect of the access points will be made via a milestone payment schedule.

9.1.2 The available budget of £2.5m is included within the Capital Programme of which £1.5m will be met from the Invest to Save budget in accordance with the principles outlined in the Medium Term Financial Strategy, primarily from CCTV transmission savings and income from City Fibre. In addition, from year two there will be ongoing support and maintenance costs of £43k per annum which will be met from the ICT revenue budget.

### **9.2 Legal and Procurement:**

9.2.1 The Council has a Best Value Duty under s.3 of the Local Government Act 1999 to seek continuous improvement in the way its functions are exercised, having regard to a combination of economy, efficiency and effectiveness. The proposed Change Control with Serco will enhance the delivery of ICT services across the Council.

9.2.2 The Council will be entering into the Change Control Notice with Serco pursuant to its powers contained in section 3 of the Local Government Act 1999, section 111 of the Local Government Act 1972 and section 1 of the Localism Act 2011.

9.2.3 The Public Contract Regulations 2015 have been considered in proceeding with the Change Control Notice to modify and increase the number of access points along the ducted route carrying fibre, within the ICT Managed Service contract. For purposes of Regulation 72 – Modifications of contracts during their term, the modification is not considered substantial and a new procurement is not required. This is further to the 2013 Variation which implemented the Council's access to the network and 106 access points.

## **10. DECLARATIONS / CONFLICTS OF INTEREST & DISPENSATIONS GRANTED**

None.

## **11. BACKGROUND DOCUMENTS**

Used to prepare this report, in accordance with the Local Government (Access to Information) Act 1985) and The Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012

None.