

## DMPC Decision – PCD 1198

**Title:** Traditional Telephony Services

### Executive Summary:

The purpose of this decision is to seek approval to go to market to replace MPS's current Traditional Telephony Services. These commercial off-the shelf services were previously provided to MPS under Network Tower Agreement which entered termination assistance on 1 April 2022. These legacy telephony services are not within scope of the Pegasus Infrastructure Tower and therefore require separate re-procurement. Traditional Telephony Services are based on copper lines and are in the process of being withdrawn from service by all UK telecommunication providers. This process is expected to complete by end of 2025 but could take longer.

### Recommendation:

The Deputy Mayor for Policing and Crime is recommended to:

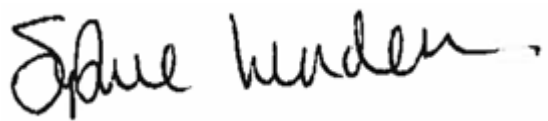
1. Approve the initiation of procurement action, via further competition, using the Crown Commercial framework RM3808, Lot 3, for replacement of 1,507 Traditional Telephony Services.
2. Approve the initiation of procurement action, via direct award, using the Crown Commercial framework RM3808 Lot 3, for replacement of 41 Traditional Telephony Services, which are subject to an Openreach freeze in change of communications provider due to the phase out of copper phone lines.

### Deputy Mayor for Policing and Crime

I confirm I have considered whether or not I have any personal or prejudicial interest in this matter and take the proposed decision in compliance with the Code of Conduct. Any such interests are recorded below.

The above request has my approval.

**Signature**



**Date 27/04/2022**

## **PART I - NON-CONFIDENTIAL FACTS AND ADVICE TO THE DMPC**

### **1. Introduction and background**

- 1.1. The Traditional Telephony Services to be contracted are summarised as follows:
  - Public Switched Telephone Network (PSTN) Exchange Lines Phone lines for: fax machines, franking machines, phones in lifts, remote meter reading, and weather resistant phones amongst many other uses.
  - Integrated Services Digital Network, 2 channels (ISDN2) Lines Phone lines for: secure phones, 64/128kbit/s data connections.
  - Integrated Services Digital Network, 30 channels (ISDN30) Lines Phone lines for: Private branch exchanges, multichannel telephony systems. Also 2Mbit/s data connections.
  - Weather Resistant Phones Phones placed outdoors at police stations for public use when the station is closed.
- 1.2. The successful tenderer will bill monthly in arrears for outbound chargeable phone calls and chargeable inbound calls e.g. 0800 numbers relating to the list above.

### **2. Issues for consideration**

- 2.1. The current Traditional Telephony Services are provided by BT under Network Tower Agreement (NTA), which expired on 31 March 2022. Under the terms of NTA, the MPS is entitled to request Termination Assistance for a maximum of 18 months, in order to facilitate the smooth transition of services from the incumbent to the new supplier.
- 2.2. Traditional Telephony Services (RM3808 Lot 3) provide voice services connecting local traditional telephony equipment with the public network. This telephony equipment includes traditional phones, faxes, lift phones, weather proof phones, voice call packages, Direct Dial Inbound (DDI) number ranges and equipment maintenance and support for legacy telephony systems.
- 2.3. A change of provider would require porting phone numbers from the old to the new service provider, which can be done remotely. This would take approximately eight weeks following award of contract.
- 2.4. From October 2021 to December 2025, the traditional copper line analogue phone network (also known as the Public Switched Telephone Network, or PSTN) will be phased out and replaced by internet services delivered over glass fibre. BT and MPS expect the replacement services to be more reliable, resilient and more cost effective but some phone line features, e.g. provision of electrical power from the telephone exchange, will be lost with the end of copper lines.
- 2.5. On 1 September 2022, the date MPS anticipate the new contract will commence, 41 telephone lines will be subject to an Openreach freeze in change of communications provider due to Openreach's plan to retire the copper network. These 41 lines

comprise 36 analogue Direct Exchange Lines (DELs) and five Integrated Services Digital Network basic rate lines (ISDN2s). Due to the freeze in the change of communications provider only BT can provide these lines.

- 2.6. A fully costed Business Justification Paper (Recommendation to Award) will be provided to PIB/IAM in July/August 2022.
- 2.7. The competed contract will be for a 3+1+1 year period.
- 2.8. There are no immediate additional costs involved in running the Crown Commercial RM3808 further competition and the business groups, commercial and DP are funding the opportunity costs of running the exercise.
- 2.9. There will be no adverse operational impact from making these changes.
- 2.10. The MPS Environment Policy will be taken into consideration as part of the contract.
- 2.11. Suppliers who have secured a place on the Network Services 2 framework have fully met Crown Commercial Services prequalification requirements for equality and diversity.
- 2.12. There will be no negative health and safety implication, no adverse social impact and no GDPR impact associated with this BJP.

### **3. Financial Comments**

- 3.1. As this is a competitive tender process, anticipated contract values are commercially sensitive until award of contract.
- 3.2. There is no funding implication at this stage of market engagement.

### **4. Legal Comments**

- 4.1. The Mayor's Officer for Policing Crime is a Contracting Authority as defined in the Public Contracts Regulations 2015 ("the Regulations"). All awards of public contracts for goods and/or services valued at £189,330 or above will be procured in accordance with the Regulations.
- 4.2. The report confirms the proposed re-procurement of the Data Access Services and Traditional Telephony Services shall be either via (1) the Crown Commercial Framework Lot 1 & 3 Network Services. This shall be a compliant route to market, provided MOPAC follows the framework's call-off procedure and guidance as issued by Crown Commercial Services, or (2) value added reseller – Pegasus Infrastructure Tower. This shall be compliant when the requirement is within the scope of the proposed contract.

- 4.3. The MOPAC Scheme of Delegation and Consent provides the Deputy Mayor for Policing and Crime (“DMPC”) has delegated authority to approve:
- Business cases for revenue or capital expenditure of £500,000 and above (paragraph 4.8); and
  - All requests to go out to tender for contracts of £500,000 or above, or where there is a particular public interest (paragraph 4.13).
- 4.4. Paragraph 7.23 of the Scheme provides that the Director of Strategic Procurement has consent for the approval of the award of all contracts, with the exception of those called in through the agreed call in procedure. Paragraph 4.14 of the Scheme provides the DMPC reserves the right to call in any MPS proposal to award a contract for £500,000 or above.

## **5. Commercial Issues**

- 5.1. The procurement objectives are to:
- Obtain the best value pricing for Traditional Telephony Services;
  - Maintain existing service performance levels;
  - Reduce Operational and Commercial risk to the MPS;
  - Award a contract that complies with Public Contracts Regulations 2015 (or any replacement regulations)
  - Provide a contract to maintain the operational Traditional Telephony Services with flexibility, including opportunities to negotiate and innovate;
  - Resolve the impact of BT Openreach withdrawal of PSTN and ISDN services in 2025.
- 5.2. Two potential routes to market options were considered for the procurement of Traditional Telephony Services:
- Option A: Mini-competition under Crown Commercial Service (CCS) framework Network Service 2 (RM3808) Lot 3
  - Option B: Source via value added reseller – Pegasus Infrastructure Tower
- 5.3. Based on the Government Outsourcing Playbook rule 6 the merits of the routes to market and lessons learned from previous procurements were considered and it was decided that the preferred option was to procure Traditional Telephony Services supplier using a mini competition calling off the Crown Commercial Framework Lot 3 Network Services.

## **6. GDPR and Data Privacy**

- 6.1. The MPS is subject to the requirements and conditions placed on it as a 'State' body to comply with the European Convention of Human Rights and the Data Protection Act (DPA) 2018. Both legislative requirements place an obligation on the MPS to process personal data fairly and lawfully in order to safeguard the rights and freedoms of individuals.

- 6.2. Under Article 35 of the General Data Protection Regulation (GDPR) and Sections 57 and 64 of the DPA 2018, Data Protection Impact Assessments (DPIA) become mandatory for organisations with technologies and processes that are likely to result in a high risk to the rights of the data subjects.
- 6.3. The Information Assurance and Information Rights units within MPS will be consulted at all stages to ensure the project meets its compliance requirements.
- 6.4. The project does not use personally identifiable data of members of the public, so there are no GDPR issues to be considered.

## **7. Equality Comments**

- 7.1. Suppliers who have secured a place on the Network Services 2 framework have fully met Crown Commercial Services prequalification requirements for equality and diversity. CCS framework RM3808, Joint Schedule 5, Corporate Social Responsibility contains the following supplier obligations:

2.1 In addition to legal obligations, the Supplier shall support CCS and the Buyer in fulfilling its Public Sector Equality duty under S149 of the Equality Act 2010 by ensuring that it fulfils its obligations under each Contract in a way that seeks to:

- 2.1.1 eliminate discrimination, harassment or victimisation of any kind; and
- 2.1.2 advance equality of opportunity and good relations between those with a protected characteristic (age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation, and marriage and civil partnership) and those who do not share it.

- 7.2. Should MPS find any evidence of that reasonable adjustments are not being made, then the issue can be escalated to Crown Commercial Services for further investigation, and may result in the Supplier being removed from the Framework and other sanctions.

## **8. Background/supporting papers**

- 8.1. Report

**Public access to information**

Information in this form (Part 1) is subject to the Freedom of Information Act 2000 (FOIA) and will be made available on the MOPAC website following approval.

If immediate publication risks compromising the implementation of the decision it can be deferred until a specific date. Deferral periods should be kept to the shortest length strictly necessary.

**Part 1 Deferral:**

Is the publication of Part 1 of this approval to be deferred? NO

If yes, for what reason:

Until what date: N/A

**Part 2 Confidentiality:** Only the facts or advice considered as likely to be exempt from disclosure under the FOIA should be in the separate Part 2 form, together with the legal rationale for non-publication.

Is there a **Part 2** form – YES

**ORIGINATING OFFICER DECLARATION**

*Tick to confirm statement (✓)*

**Financial Advice:**

The Strategic Finance and Resource Management Team has been consulted on this proposal.

✓

**Legal Advice:**

The MPS legal team has been consulted on the proposal.

✓

**Equalities Advice:**

Equality and diversity issues are covered in the body of the report.

✓

**Commercial Issues**

The proposal is in keeping with the GLA Group Responsible Procurement Policy.

✓

**GDPR/Data Privacy**

- GDPR compliance issues are covered in the body of the report.
- A DPIA is not required.

✓

**Drafting Officer**

Craig James has drafted this report in accordance with MOPAC procedures.

✓

**Director/Head of Service:**

The Acting Chief Finance Officer has reviewed the request and is satisfied it is correct and consistent with the MOPAC's plans and priorities.

✓

**Chief Executive Officer**

I have been consulted about the proposal and confirm that financial, legal and equalities advice has been taken into account in the preparation of this report. I am satisfied that this is an appropriate request to be submitted to the Deputy Mayor for Policing and Crime.

**Signature**



**Date 25/04/2022**



## Traditional Telephony Services

**MOPAC Investment Advisory & Monitoring meeting Friday 1 April 2022**

**Report by Adrian Dain on behalf of the Chief of Corporate Services**

**Part 1 – This section of the report will be published by MOPAC. It is classified as OFFICIAL – PUBLIC**

### *EXECUTIVE SUMMARY*

The purpose of this Business Justification Paper is to seek permission to go to market to replace MPS's current Traditional Telephony Services. These commercial off-the shelf services were previously provided to MPS under Network Tower Agreement which entered termination assistance on 1 April 2022. These legacy telephony services are not within scope of the Pegasus Infrastructure Tower and therefore require separate re-procurement. Traditional Telephony Services are based on copper lines and are in the process of being withdrawn from service by all UK telecommunication providers. This process is expected to complete by end of 2025 but could take longer.

### **Recommendations**

The Deputy Mayor for Policing and Crime, via the Investment Advisory and Monitoring meeting (IAM), is asked to:

1. **Approve** the initiation of procurement action, via further competition, using the Crown Commercial framework RM3808, Lot 3, for replacement of 1,507 Traditional Telephony Services
2. **Approve** the initiation of procurement action, via direct award of a call-off contract, using the Crown Commercial framework RM3808 Lot 3, for replacement of 41 Traditional Telephony Services, which are subject to an Openreach freeze in change of communications provider due to the phase out of copper phone lines.

### **Time sensitivity**

A decision is required from the Deputy Mayor 10 working days after the date of the IAM i.e. 19 April 2022. This is to ensure further competition can be carried out in accordance with CCS framework RM3808, with award of contract by 1 September 2022.

## **Non-confidential facts and advice to the Deputy Mayor for Policing and Crime**

### **Introduction and background**

1. The Traditional Telephony Services to be contracted are summarised as follows:
  - **Public Switched Telephone Network (PSTN) Exchange Lines:** Phone lines for: fax machines, franking machines, phones in lifts, remote meter reading, and weather resistant phones amongst many other uses.
  - **Integrated Services Digital Network, 2 channels (ISDN2) Lines:** Phone lines for: secure phones, 64/128kbit/s data connections.
  - **Integrated Services Digital Network, 30 channels (ISDN30) Lines:** Phone lines for: Private branch exchanges, multichannel telephony systems. Also 2Mbit/s data connections.
  - **Weather Resistant Phones:** Phones placed outdoors at police stations for public use when the station is closed.
2. The successful tenderer will bill monthly in arrears for outbound chargeable phone calls and chargeable inbound calls e.g. 0800 numbers relating to the list above.

### **Issues for consideration**

3. The current Traditional Telephony Services are provided by BT under Network Tower Agreement (NTA), which expired on 31 March 2022. Under the terms of NTA, the MPS is entitled to request Termination Assistance for a maximum of 18 months, in order to facilitate the smooth transition of services from the incumbent to the new supplier.
4. Traditional Telephony Services (RM3808 Lot 3) provide voice services connecting local traditional telephony equipment with the public network. This telephony equipment includes traditional phones, faxes, lift phones, weather proof phones, voice call packages, Direct Dial Inbound (DDI) number ranges and equipment maintenance and support for legacy telephony systems.
5. A change of provider would require porting phone numbers from the old to the new service provider, which can be done remotely. This would take approximately eight weeks following award of contract.
6. From October 2021 to December 2025, the traditional copper line analogue phone network (also known as the Public Switched Telephone Network, or PSTN) will be phased out and replaced by internet services delivered over glass fibre. BT and MPS expect the replacement services to be more reliable, resilient and more cost effective but some phone line features, e.g. provision of electrical power from the telephone exchange, will be lost with the end of copper lines.
7. On 1 September 2022, the date MPS anticipate the new contract will commence, 41 telephone lines will be subject to an Openreach freeze in change of communications provider due to Openreach's plan to retire the copper network. These 41 lines comprise 36 analogue Direct Exchange Lines (DELs) and five



Integrated Services Digital Network basic rate lines (ISDN2s). Due to the freeze in the change of communications provider only BT can provide these lines.

8. Cost estimates provided in this paper will be updated with a fully costed BJP (Recommendation to Award) to PIB/IAM Board in July 2022.
9. The competed contract will be for a 3+1+1 year period.
10. There are no immediate additional costs involved in running the Crown Commercial RM3808 further competition and the business groups, commercial and DP are funding the opportunity costs of running the exercise.
11. There is no GDPR impact.
12. There will be no adverse operational impact from making these changes.
13. The MPS Environment Policy will be taken into consideration as part of the contract.
14. Suppliers who have secured a place on the Network Services 2 framework have fully met Crown Commercial Services prequalification requirements for equality and diversity.
15. There will be no negative health and safety implication, no adverse social impact and no GDPR impact associated with this BJP.

#### **Contributes to the MOPAC Police & Crime Plan 2017-2021<sup>1</sup>**

16. Ensuring the continuity and reliability of Traditional Telephony Services enabling MPS to Keep London Safe.

#### **Financial, Commercial and Procurement Comments**

17. As this is a competitive tender process, anticipated contract values are commercially sensitive until award of contract.
18. There is no funding implication at this stage of market engagement.
19. The procurement objectives are to:
  - Obtaining the best value pricing for Traditional Telephony Services;
  - Maintain existing service performance levels;
  - Reduce Operational and Commercial risk to the MPS;
  - Award a contract that complies with Public Contracts Regulations 2015 (or any replacement regulations)
  - Provide a contract to maintain the operational Traditional Telephony Services with flexibility, including opportunities to negotiate and innovate;
  - Resolve the impact of BT Openreach withdrawal of PSTN and ISDN services in 2025.

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<sup>1</sup> [Police and crime plan: a safer city for all Londoners | London City Hall](#)

- Two potential routes to market were considered for the procurement of Traditional Telephony Services: Option A: Mini-competition under Crown Commercial Service (CCS) framework Network Service 2 (RM3808) Lot 3
- Option B: Source via value added reseller – Pegasus Infrastructure Tower

Based on the Government Outsourcing Playbook rule 6 the merits of the routes to market and lessons learned from previous procurements were considered and it was decided that the preferred option was to procure Traditional Telephony Services supplier using a mini competition calling off the Crown Commercial Framework Lot 3 Network Services.

### **Legal Comments**

20. The Mayor's Officer for Policing Crime is a Contracting Authority as defined in the Public Contracts Regulations 2015 ("the Regulations"). All awards of public contracts for goods and/or services valued at £189,330 or above will be procured in accordance with the Regulations.
21. Paragraph 4.4 of part 2 of this paper confirms the proposed re-procurement of the Data Access Services and Traditional Telephony Services shall be either via (1) the Crown Commercial Framework Lot 1 & 3 Network Services. This shall be a compliant route to market, provided MOPAC follows the framework's call-off procedure and guidance as issued by Crown Commercial Services, or (2) value added reseller – Pegasus Infrastructure Tower. This shall be compliant when the requirement is within the scope of the proposed contract.
22. The MOPAC Scheme of Delegation and Consent provides the Deputy Mayor for Policing and Crime ("DMPC") has delegated authority to approve:
  - Business cases for revenue or capital expenditure of £500,000 and above (paragraph 4.8); and
  - All requests to go out to tender for contracts of £500,000 or above, or where there is a particular public interest (paragraph 4.13).
23. Paragraph 7.23 of the Scheme provides that the Director of Strategic Procurement has consent for the approval of the award of all contracts, with the exception of those called in through the agreed call in procedure. Paragraph 4.14 of the Scheme provides the DMPC reserves the right to call in any MPS proposal to award a contract for £500,000 or above.

### **Equality Comments**

24. Suppliers who have secured a place on the Network Services 2 framework have fully met Crown Commercial Services prequalification requirements for equality and diversity. CCS framework RM3808, Joint Schedule 5, Corporate Social Responsibility contains the following supplier obligations:
  - 2.1 In addition to legal obligations, the Supplier shall support CCS and the Buyer in fulfilling its Public Sector Equality duty under S149 of the Equality Act 2010 by ensuring that it fulfils its obligations under each Contract in a way that seeks to:

- 2.1.1 eliminate discrimination, harassment or victimisation of any kind; and
  - 2.1.2 advance equality of opportunity and good relations between those with a protected characteristic (age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation, and marriage and civil partnership) and those who do not share it.
25. Should MPS find any evidence of that reasonable adjustments are not being made, then the issue can be escalated to Crown Commercial Services for further investigation, and may result in the Supplier being removed from the Framework and other sanctions.

### **Privacy Comments**

26. The MPS is subject to the requirements and conditions placed on it as a 'State' body to comply with the European Convention of Human Rights and the Data Protection Act (DPA) 2018. Both legislative requirements place an obligation on the MPS to process personal data fairly and lawfully in order to safeguard the rights and freedoms of individuals.
27. Under Article 35 of the General Data Protection Regulation (GDPR) and Sections 57 and 64 of the DPA 2018, Data Protection Impact Assessments (DPIA) become mandatory for organisations with technologies and processes that are likely to result in a high risk to the rights of the data subjects.
28. The Information Assurance and Information Rights units within MPS will be consulted at all stages to ensure the project meets its compliance requirements.
29. The project does not use personally identifiable data of members of the public, so there are no GDPR issues to be considered.

### **Real Estate Implications**

30. There are no changes to real estate.

### **Environmental Implications**

31. Obsolete electrical equipment will be disposed of securely and in accordance with The Waste Electric and Electronic Equipment (WEEE) Regulations 2013.

### **London's Anchor Institutions' Charter Implications**

32. Public sector procurement requires that a minimum of 10% of the evaluation weighting is allocated to Social Value and Sustainability. The CCS framework RM3808 includes Schedule 5 entitled Corporate Social Responsibility which includes topics covering equality, accessibility, income security and sustainability amongst others. We will tailor the Statement of Requirements included in the framework to explicitly request bidders to make proposals regarding how they will contribute to the Charter and they will be evaluated on this basis.

### **Background/supporting papers**

33. none

Report author: Adrian Dain, Transformation and Transition Support, 07740 771952.

**Part 2 – This section refers to the details of the Part 2 business case which is NOT SUITABLE for MOPAC Publication.**

The Government Security Classification marking for Part 2 is:

OFFICIAL-SENSITIVE [COMMERCIAL]

Part 2 of 'Traditional Telephony Services' is exempt from publication for the following reasons:

- Exempt under Article 2(2)(a) of the Elected Local Policing Bodies (Specified Information) Order 2011 (Data Protection Section 43 – Commercial Interests).
  - Commercial Interest Section 43

The paper will cease to be exempt until the completion of the Data Access Services and Traditional Telephony Services contract.