



LONDON FIRE BRIGADE

Report title

---

## Wide Area and Metropolitan Area networks, and Internet service provision – tender acceptance

---

Report to

Corporate Services Directorate Board  
Commissioner's Board  
Deputy Mayor's Fire and Resilience Board

Date

21 January 2020  
29 January 2020  
11 February 2020

---

Report by

Chief Information Officer

Report number

LFC-0302  
FRB-0104

---

Protective marking: **OFFICIAL**

Publication status: Published with redactions

---

### Summary

This report seeks approval to award a contract for the provision of Wide Area Network (WAN), Metropolitan Area Network (MAN) and Internet Services to the Brigade, following a re-procurement exercise.

### Recommendations

That the London Fire Commissioner (the "Commissioner") agree that the Chief Information Officer, in consultation with the Assistant Director Technical & Commercial, be authorised to award a contract to BT for the provision of WAN, ISP and MAN services for three years (with options to extend for up to two further years), at a cost of £5,086k (over five years) (as set out in paragraph 10-15).

## Background

1. The Brigade's Metropolitan Area Network (MAN) and Wide Area Network (WAN) together form the main communications infrastructure that allows all Brigade sites to communicate with each other. All data and telephony services run over these communications links, including the mission critical mobilising messages that are sent to stations from the Vision mobilising system. In addition, these links provide access to the Brigade's key line of business applications, such as StARS, HR and Finance systems.
2. In 2015 the Brigade signed a contract with BT for the provision of a WAN for a five year period. That contract expires on 30 June 2020 necessitating the commencement of the re-procurement process in 2019.
3. The Brigade currently has three main types of site, with each site having a different bandwidth requirement (measured in megabytes Mb/s) , due to the type of work carried out at that site:
  - **SITE TYPE A** - Fire Stations: minimum of 50 Mb/s
  - **SITE TYPE B** – Fire Station "Plus" sites: minimum of 50 Mb/s (fire stations plus up to 10 additional users)
  - **SITE TYPE C** – Fire Station "Office": minimum of 100 Mb/s (fire stations with more than 10 additional users)
4. A detailed statement of requirements (SOR) has been developed. These requirements state that the bandwidth referred to in paragraph 3 (above) is a minimum and that any solution should be able to "burst" to higher bandwidths to cope with increased requirements on an ad-hoc basis.
5. The proposed new service will allow the Brigade to vary its bandwidth requirements at all sites, if demand changes over time. Using the current bandwidth as a baseline, network bandwidth monitoring will be undertaken during the life of the contract. A report on network bandwidth utilisation will be produced and reviewed each year by the Chief Information Officer and adjustments made to available bandwidth. This report will form the basis of any recommendations to the board if the bandwidth change gives rise to costs which cannot be met from the available ICT budgets.

## Internet Service Provision

6. In 2015 the Brigade awarded a contract to BT as internet service provider (ISP). That contract comes to an end on 12 July 2020, necessitating the commencement of the re-procurement process in 2019.
7. The provision of internet services to the Brigade is now considered a critical service, particularly as we examine the future use of cloud-based services, in line with the published information and technology strategy "*LFB in a Digital World*".

8. Internet services allow the Brigade to send and receive external email, provide facilities for staff and contractors to remotely connect to Brigade systems and facilitate access to key line of business applications cloud-hosted by third parties, otherwise known as "software as a service" (SaaS<sup>1</sup>).
9. The ISP is responsible for hosting the Brigades web site and the "Firewalls<sup>2</sup>" that protect the Brigade from external attack and facilitate access to Brigade systems for authorised users.

## **Procurements**

10. The Director of Corporate Services initiated the tendering process for the re-procurement of the WAN, MAN, and ISP services (under the delegated authority granted to her) and the procurement exercise has been carried out by staff from the ICT and Procurement departments.
11. At a meeting with the Head of Procurement on 7 May 2019 it was agreed that the Pan-London ICT Framework (Lot 4) could be utilised to negotiate new contracts as at that point in time there were no suitable Crown Commercial Services (CCS) frameworks available for use as it was due to expire and the replacement framework was yet to be awarded.
12. The Pan London ICT Framework (Lot 4) was tendered by the Royal Borough of Kensington & Chelsea on behalf of the London public sector. The aim of the framework is to deliver best value to London's public sector through a catalogue price structure, faster cost effective procurement process and flexibility. The framework offers a catalogue of services by BT which is supported by a number of the market leading IT/communications vendors. This framework has offered an alternative route to market when there has not been a collaborative opportunity available via the GLA, or a suitable CCS framework. The framework also allows for a tender exercise to be carried out. Formal benchmarking is regularly undertaken by an external company against a minimum of eight top quartile peers and an overall 'value for money' rating has been awarded. Benchmarking has shown potential for up to 25% cost savings compared to other frameworks.
13. A series of workshops have been held with BT and key internal stakeholders to fully review the service currently being provided to the Brigade. The purpose of the workshops was to allow dialogue to discuss options available for the various services as well as potential cost savings. BT were provided with detailed statements of requirements and were required to respond to each of the points listed.
14. The responses submitted by BT have confirmed that they are able to provide all of the services required. This has also been used as an opportunity to improve our contract management processes with BT and revised key performance indicators (KPIs) and service level agreements (SLAs) have been included.
15. The evaluation indicates that the pricing submitted (see appendix A) is within the budget set aside for the project by the Brigade. Officers are able to confirm that the pricing submitted is competitive and within the expected range for the services required, and accords with up to date market research. This tender will realise savings of some £2,218k over the five year period, this

---

<sup>1</sup> **Software as a service** (or **SaaS**) is a way of delivering applications over the Internet—as a service. Instead of installing and maintaining software, you simply access it via the Internet, freeing yourself from complex software and hardware management

<sup>2</sup> In computing, a firewall is a software or hardware-based network security system that controls the incoming and outgoing network traffic based on an applied rule set. A firewall establishes a barrier between a trusted, secure internal network and another network (e.g., the Internet) that is not assumed to be secure and trusted

comprises some £166k (a reduction of nearly 14 per cent) for the Internet Services, and some £2,052k (a reduction of some 33 per cent) for the Wide/Metropolitan Area Networks (WAN/MAN).

### **Governance approvals**

16. As the value of the proposed contract exceeds £150,000, acceptance of the tender will require prior approval of either the Mayor or the Deputy Mayor for Fire and Resilience. The proposal for tender acceptance is to be submitted to the Fire and Resilience Board on 11 February 2020.

### **Financial implications**

17. The new tender for MAN/WAN and Internet services will realise savings of £443k a year (£2,218k over five years). The new contract will allow the Brigade to vary bandwidth at different sites (to increase or reduce it) more dynamically than previously. It is not expected that a significant increase in bandwidth is likely during the life of the contract but should there be a need for small adjustments then there would be flexibility in the ICT budgets to meet any increased cost.

### **Local Digital Declaration (LDD)**

18. In May 2019, the London Fire Commissioner signed the [Local Digital Declaration](#) (LDD) on behalf of the Brigade. The Declaration, which is signed by national and local government bodies, is seeking to co-create the conditions for the next generation of local public services, where technology is an enabler rather than a barrier to service improvements, and services are "a delight for citizens and officials to use". It is acknowledged that one size doesn't fit all, but by developing common building blocks local authorities, and other public services, it will be possible to build services more quickly, flexibly and effectively. Only in this more open and flexible market, it is believed, will we unlock the full potential for innovation.
19. The LDD ambition requires both a culture shift and a technology shift, and the LDD sets out five principles to help do this (available via the link above). In particular, and relevant to any new or replacement computer systems, including the mobilising solution, is principle 1 which is "*We will go even further to redesign our services around the needs of the people using them. This means continuing to prioritise citizen and user needs above professional, organisational and technological silos.*"

### **Collaboration opportunities**

20. The Pan London ICT Framework (Lot 4) was tendered by the Royal Borough of Kensington & Chelsea on behalf of the London Public Sector as a collaborative framework. The framework has offered an alternative route to market when there has not been a specific collaborative opportunity available, or a suitable CCS framework. There were no specific collaboration opportunities identified with the GLA or functional bodies, or with other Fire and Rescue Services, or blue-light services.

### **Finance comments**

21. This report recommends that a contract is awarded for the provision of WAN, ISP and MAN services for three years with options to extend for a further two years for a total five year cost of £5.1m. This contract has overspent against the existing budget in the 2019/20 financial year, however with the reduced price set out in this report it is expected that spend will be contained within the existing budget. Any significant variation in the bandwidth going forward, however, could impact annual expenditure, which would be reported at the time.

22. The current contract for the provision of this service will expire at the end of quarter one of 2020/21. The 2020/21 Budget includes one-off funding of £145k to meet the additional cost of the existing contract for that period.

### **Workforce comments**

23. There are no plans to initiate workforce consultation due to the nature of the services.

### **Legal comments**

24. Under section 9 of the Policing and Crime Act 2017, the London Fire Commissioner (the "Commissioner") is established as a corporation sole with the Mayor appointing the occupant of that office. Under section 327D of the GLA Act 1999, as amended by the Policing and Crime Act 2017, the Mayor may issue to the Commissioner specific or general directions as to the manner in which the holder of that office is to exercise his or her functions.
25. By direction dated 1 April 2018, the Mayor set out those matters, for which the Commissioner would require the prior approval of either the Mayor or the Deputy Mayor for Fire and Resilience (the "Deputy Mayor"). Paragraph (b) of Part 2 of said direction requires the Commissioner to seek the prior approval of the Deputy Mayor before "[a] commitment to expenditure (capital or revenue) of £150,000 or above as identified in accordance with normal accounting practices...".
26. In accordance with Section 5A Fire and Rescue Services Act 2004 (FRSA 2004), the London Fire Commissioner, being a 'relevant authority,' may do 'anything it considers appropriate for the purposes of the carrying- out of any of it's functions...'.
27. General Counsel also notes that the proposed service has been procured in compliance with the Public Contracts Regulations 2015. The Royal Borough of Kensington & Chelsea have conducted a compliant OJEU procurement in accordance with the Public Contracts Regulations 2015 to set up the Pan London ICT Framework from which the Commissioner is able to make a compliant call off.

### **Sustainability implications**

28. Any new procurement activity will need to be undertaken in line with the GLA group Responsible Procurement policy. As part of delivery of this policy, the Greater London Authority group is currently in the process of affiliating with Electronics Watch, which requires the inclusion of additional terms and conditions for contracts with significant hardware purchases. The terms aim to improve the transparency of the supply chain and management of any non-compliance with labour standards identified with the support of Electronics Watch. Where hardware replacement of considerable value forms part of the requirement for any of the options proposed, additional terms covering ethical sourcing will need to be included in the tender or re-negotiation.

### **Equalities Implications**

29. The London Fire Commissioner and decision takers are required to have due regard to the Public Sector Equality Duty (s149 of the Equality Act 2010) when taking decisions. This in broad terms involves understanding the potential impact of policy and decisions on different people, taking this into account and then evidencing how decisions were reached.
30. It is important to note that consideration of the Public Sector Equality Duty is not a one-off task. The duty must be fulfilled before taking a decision, at the time of taking a decision, and after the decision has been taken.
31. The protected characteristics are: Age, Disability, Gender reassignment, Pregnancy and maternity, Marriage and civil partnership (but only in respect of the requirements to have due

regard to the need to eliminate discrimination), Race (ethnic or national origins, colour or nationality), Religion or belief (including lack of belief), Sex, Sexual orientation.

32. The Public Sector Equality Duty requires us, in the exercise of all our functions (i.e. everything we do), to have due regard to the need to:
- (a) Eliminate discrimination, harassment and victimisation and other prohibited conduct.
  - (b) Advance equality of opportunity between people who share a relevant protected characteristic and persons who do not share it.
  - (c) Foster good relations between people who share a relevant protected characteristic and persons who do not share it.
33. Having due regard to the need to advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to:
- (a) remove or minimise disadvantages suffered by persons who share a relevant protected characteristic where those disadvantages are connected to that characteristic;
  - (b) take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of persons who do not share it (;
  - (c) encourage persons who share a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.
34. The steps involved in meeting the needs of disabled persons that are different from the needs of persons who are not disabled include, in particular, steps to take account of disabled persons' disabilities.
35. Having due regard to the need to foster good relations between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to—
- (a) tackle prejudice, and
  - (b) promote understanding.
36. An Equality Impact Assessment (EIA) was undertaken in January 2020. The impact assessment found that there were no impacts on any staff groups. The replacement of the network and internet service provider will be transparent to all staff apart from those directly involved with its upgrade within ICT.

### Consultation

Role	Method consulted
General Counsel's Department	email
Assistant Director, Commercial and Technical	Email/meeting
Procurement Department	Email/meetings

## Pricing Information

### Internet Services

- 1 The pricing summary below details the proposed annual costs of the Brigade's Internet services at and the cost of the new service some £20,025. It is proposed to increase the Internet capability to 500Mb (from 200 Mb) which will assist with future proofing the service to all users. With more ICT services being hosted in the cloud, increased bandwidth is essential to ensure services are as responsive and stable as they would be if they remained in LFB's own data centres. The new costs will be some £17,248 per month, a saving of some £2,775 a month or some £33,296 per annum.

	Current	*New	Saving
<b>Internet services – a year</b>	£240,285	£206,990	<b>-£33,295</b>

\* there is a one-off cost for bandwidth upgrade of routers of £2,000 in the first year which is not included in the 'new service' annual total.

### Wide /Metropolitan Area Networks

- 2 The pricing summary below details the proposed annual cost of WAN/MAN service services at some £810,220 a year, making a saving over current arrangements of some £425,855 a year. This includes a saving arising from the reduction of bandwidth to major office sites (Type C). Monitoring of type C sites has proven that the current bandwidth levels can be reduced without any risk of performance degradation. If, in the future, bandwidth needs to be increased, this can be accommodated immediately with only a software change required.

	Current	New <sup>3</sup>	Saving
<b>Wide/Metropolitan Area Networks – a year</b>	£1,236,075	£825,700	<b>-£410,375</b>

- 3 Paragraph 15 gives a breakdown of the total savings achievable over the life of the contract.

<sup>3</sup> The redesign of the core network, taking advantage of improvements in technology and the removal of the Woking secondary data centre site, which will allow for a reduction in the number of circuits. These circuits are no longer required as the resiliency they previously provided is now available in a more cost effective way. Redesign includes (i) remove all secondary Ethernet Virtual Connections (EVCs) from type A and B category sites; (ii) remove secondary 10Gb Etherway circuit at Merton; (iii) downgrade all type C sites EVCs to 50Mb (Primary and Secondary).