

<b>Item No.</b>	<b>Classification:</b> Open	<b>Date:</b> 21 July 2016	<b>Decision Maker:</b> Cabinet Member for Finance, Modernisation and Performance
<b>Report title:</b>		Gateway 1 IT Sourcing Options	
<b>Ward(s) or groups affected:</b>		All	
<b>From:</b>		Strategic Director of Housing and Modernisation	

## RECOMMENDATIONS

It is recommended that the cabinet member for finance, modernisation & performance:

1. Approves the sourcing and procurement strategy for the council's IT managed services as set out in this report for:
  - a) the procurement to invite tenders for:
    - an Integrator service to be tendered through the Crown Commercial Service framework RM1058 for an initial contract period of 2 years with the option to extend for up to a further 2 years and with an anticipated start date of 1 November 2016.
    - an IT Hosting service to be tendered through the Crown Commercial Service framework RM1058 for an initial contract period of 3 years with the option to extend for up to 1 further year and with an anticipated start date of 4 January 2017.
    - a combined Network and Telephony management service to be tendered through the Crown Commercial Service framework RM1045 for an initial contract period of 3 years with the option to extend for up to 1 further year and with an anticipated start date of 4 January 2017.
    - a combined Service Desk and End User Computing service to be tendered through the Crown Commercial Service framework RM1058 for an initial contract period of 3 years with the option to extend for up to 1 further year and with an anticipated start date of 4 January 2017.
    - an Application Transformation service to be tendered through the Crown Commercial Service framework RM1058 for a contract period of up to 3 years and with an anticipated start date of 4 January 2017.
  - b) The in-sourcing to the existing IT central service team of the applications support services currently outsourced to Capita.

## BACKGROUND INFORMATION

2. In October 2012, Capita was awarded the contract to provide a fully managed IT service. The contract runs from 1 February 2013 for an initial period of four years, with the option to extend for a further period of up to three years.

3. The current IT managed service covers a multitude of service elements. These can be divided broadly into;
  - a) a business as usual service. Delivering a service desk, service management function and IT infrastructure comprising over 7000 fixed and mobile devices and supporting over 4000 staff working at over 100 locations.
  - b) programmes & projects. Undertaking and implementing change to maintain the existing service and deliver new and improved services.
4. A pre-procurement strategic assessment report (Gateway 0 - IT Managed Services Sourcing Options) was received by cabinet in January 2016. The report identified a number of issues with the current IT service.
5. The report considered a number of options and identified the benefits arising from dividing the IT service into a number of manageable technology and service based 'towers' and procuring these from separate suppliers. This is referred to as a multi-sourced service.
6. Benefits envisaged include access to smaller suppliers, who are well equipped to provide services for specific service areas but who may not provide a full managed service incorporating all service areas, increased competitiveness arising from the number of suppliers able to provide services, a customer focussed and better quality service.
7. Importantly, the move from a single supplier model to a multi-sourced model reduces reliance on a single partner and brings increased agility in the future provisioning of services.
8. The report concluded by recommending that the service operating model be re-designed with the focus being on adoption of a multi-sourced model.
9. To ensure appropriate governance and control it was recognised also that the council needed to strengthen significantly the in-house IT team.
10. The report noted that to enable adequate time to design, procure and transition to a different operating model a limited extension would be required to the current IT services contract.

#### **Actions arising from gateway 0**

11. The gateway 0 report identified a number of 'next step' actions to be completed. These included:
  - a) To undertake an external benchmark. This was undertaken by the Society of IT Managers (SoCITM) and compared Southwark against 8 London authorities. The benchmark results show that in comparison to the other authorities;
    - staff satisfaction with the IT service is extremely low.
    - availability and incident fix response times are poor.
    - service costs are similar. However, Southwark spends significantly more than comparators maintaining the current business as usual service and spends less on innovation and deriving true business value from IT.

- b) Service improvement and contract extension discussions. These were initiated with the incumbent provider and are on-going.
  - c) A high-level review of in-house capability to inform the development of the retained function This is in progress.
  - d) The need to source external expertise to assist with design and procurement activities. A competitive process was undertaken using the NEPRO consultancy services framework. This concluded with ATOS being appointed to assist with development of the operating model and the sourcing and procurement strategy.
12. Subsequent to consideration of the gateway 0 report the council has appointed a new Director of Modernise and a new Head of IT. Officers to these posts started in February/March 2016.

### **Summary of the business case/justification for the procurement**

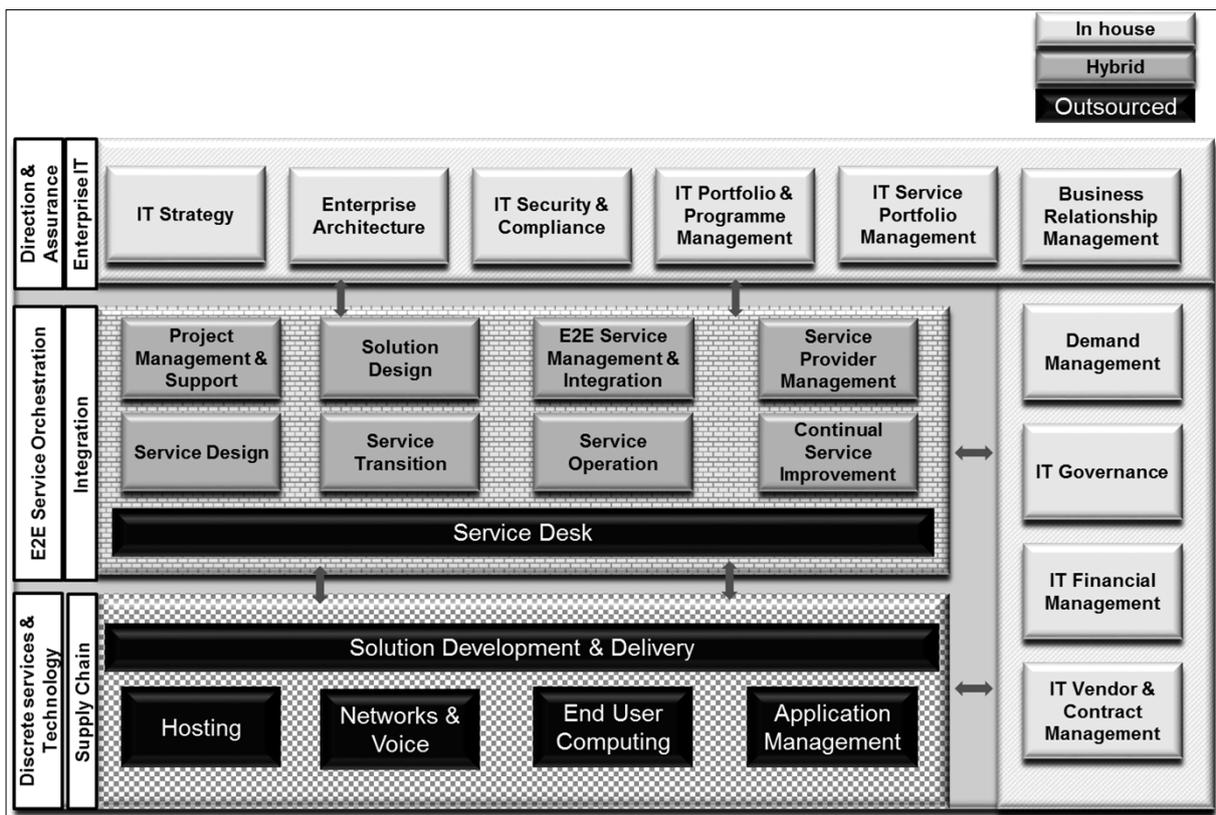
13. The business case and justification for the procurement of this requirement was set out in the gateway 0 report that was approved by cabinet. The details of the additional background work around the target operating model for the service and proposal for procurement strategy is set out in detail in this report.

### **KEY ISSUES FOR CONSIDERATION**

#### **IT service design**

14. Following the appointment in early April 2016 of ATOS to provide external support and expertise a small team of council and ATOS staff was formed to progress the required work.
15. A total of 26 meetings were arranged with key council stakeholders which included four councillors, two strategic directors and 39 officers. Stakeholders included also the incumbent IT service provider's service director and a number of his senior team. Feedback was open and honest, but also very positive and supportive of the work being undertaken to improve and transform the IT service.
16. Stakeholder feedback was used to identify and agree the IT service vision. This comprises six key areas:
- **Support Sthwark's digital vision:** Increased availability and adoption of online services; greater use of self-service and automation; improved integration between front-office and back-office.
  - **IT as a strategic enabler:** Supporting business process transformation, efficiency savings, staff mobility, corporate information management and business intelligence to drive service improvements for residents and customers.
  - **Customer centric service:** Services designed with the customer in mind which are intuitive and easy to use
  - **IT which is modern and reliable:** Service is agile, scalable, secure and available resulting in high customer satisfaction.
  - **An enterprise IT function** with the capability to fully support and inform business aspirations.

- **Multi-speed IT capability:** supporting and delivering traditional corporate services whilst also meeting the rapid timescales for agile development and deployment.
17. A target operating model, based on the multi-sourcing principles outlined in the gateway 0 report, capable of delivering the agreed service vision, was developed. This is illustrated in figure 1.
  18. The operating model divides the IT service into three core functional areas; Direction & Assurance, End to End Service Orchestration and Service & Technology. The latter comprises a number of discrete components, each defined by the type of service or technology provided. These components are referred to as “service towers”.



*Figure 1 – Proposed IT operating model*

### Direction & assurance

19. The Enterprise IT layer has responsibility for direction and assurance, ensuring that business requirements are clearly understood, can be translated into service deliverables and that IT delivers real value to the organisation within a clearly defined and accountable governance framework.

### End to end service orchestration

20. The Integration layer (also called service integration and management or SIAM) is responsible for co-ordination of delivery of the end to end (E2E) IT service. It ensures the seamless, orchestrated delivery of services through management and control of the underpinning service providers or ‘towers’.

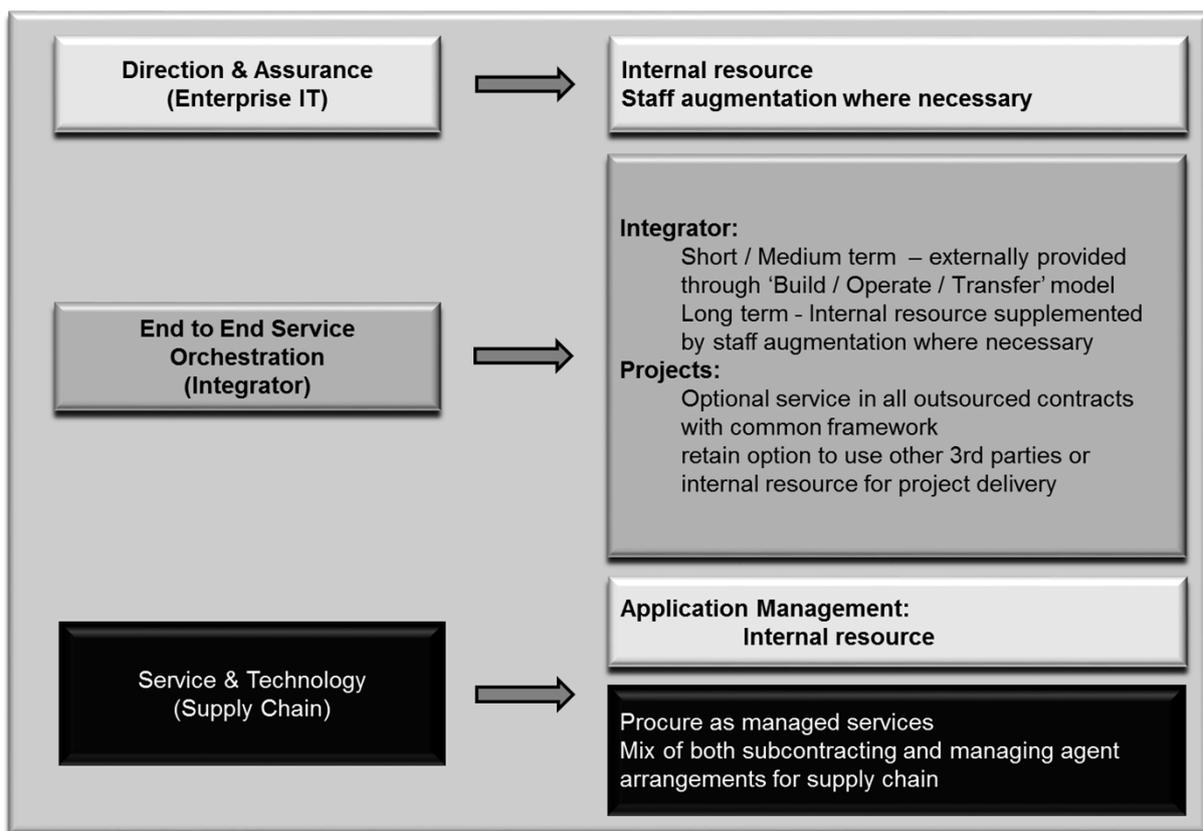
21. The Service Desk has a key role to play in the overall facilitation and delivery of the IT service and consequently appears in the integration layer of operating model (figure 1).

**Services & technology**

22. The services and technology layer includes services such as hosting, networks, end user computing and service desk, all of which are highly focussed on service delivery.

**Options for procurement route including procurement approach**

23. The options for the future sourcing of the council’s IT service were considered closely. Appendix A of the gateway 0 report provided a detailed overview of these options and their advantages and risks. The options considered were:
- a) Contract extension with the incumbent provider on existing or revised terms
  - b) In-Sourcing all or part of the IT service
  - c) Adopting a shared service with another council
  - d) Undertaking an IT service procurement.
24. Having developed the new operating model, the available options for sourcing this were reviewed and a sourcing strategy was developed. This is summarised in figure 2.



*Figure 2 – Sourcing strategy*

## **Direction & assurance**

25. Direction and assurance is a primary function of the IT service and it is therefore recommended that this is retained in-house. The current in-house function will require an increase in capability, skills and resource in order to be able to control and manage appropriately the IT service. The appointment of a permanent Head of IT in February is a positive step and, as detailed later in this report, work is underway to develop and consult upon the organisational structure of the retained function.

## **End to end service orchestration**

26. Given the importance of the integrator in ensuring that the entire IT service operates effectively, consideration was given to in-sourcing so as to regain direct control and management. Whilst in-sourcing remains our intention, it is considered that the existing IT team does not currently have the appropriate skills, experience or resource to undertake this work nor that required to recruit and build a service integration team from scratch in the time available. In-sourcing the service function in the short-term is consequently considered a risk to the successful transition from the existing arrangements to the new service model.
27. It is therefore recommended the council procure an integrator service on a build, operate, transfer basis. The selected supplier will develop the team and ensure a smooth transition from the current to the new operating model with the intent that, when fully functional and stable, the integration function will transfer to the council.

## **Services & technology**

28. For the; hosting, networks and end user computing towers, it is considered that the extent to which these are available from multiple suppliers as relatively standardised services means that these are best provided externally. It is therefore recommended that these services, which are currently outsourced, remain as outsourced services that are subject to a new procurement process.
29. The IT service desk is also available from multiple suppliers as a standardised service this service and it is therefore recommended that this also should be provided externally. For operational and efficiency reasons it is considered that this service is best combined with either the integrator or end user computing services. Given the intent to bring the integrator in-house, it is recommended that the service desk be combined with end user computing as a procurement bundle.
30. As part of the council's statement of requirements for outsourced services we will define the necessary standards, software tools and interfaces for service integration and, where appropriate, will maintain direct ownership of software tools. Whilst this has the potential to impact cost, retaining ownership is considered a key factor to maintaining agility for future sourcing and associated service transition.
31. An exception to outsourcing of the defined service towers is the approach to be taken with applications management. Whilst this was initially considered as in-scope for outsourcing a review of this area identified that the majority of applications related work was undertaken currently by in-house staff either in the central IT application team or based directly within departments.

32. In addition to the in-house staff supporting applications, the incumbent provider provides support for database administration and a number of applications utilising a relatively small applications team, with a further element of applications support provided by third parties.
33. The existing applications estate consists of over 300 applications. Many of these are old and in need of upgrading or replacement and documentation to facilitate support is incomplete. Outsourcing support of these applications at this time is likely therefore to be expensive due to the risk the supplier would be taking on.
34. Given the current context of applications and the existing largely in-house support arrangements it is recommended that we adopt a two stage approach.
35. Stage one: Applications management should be retained in-house and the in-house team should additionally take on the services that are currently outsourced to the incumbent IT managed service provider.
36. A significant programme of work to rationalise, upgrade and transform the council's application portfolio is required. This programme of work is specialised and it is recommended therefore that the council procure the services of an application transformation partner to assist the in-house applications support team with this work.
37. The outcome of stage one will be a rationalised applications estate, a much clearer understanding of the council's application portfolio and applications, which are stable, fit for purpose, documented and supportable.
38. Stage two: Following remediation and improvement works undertaken in stage one it is recommended to conduct a second review of applications support. This will encompass applications support arrangements within both IT and departments and will consider the advantages and disadvantages of future sourcing options.

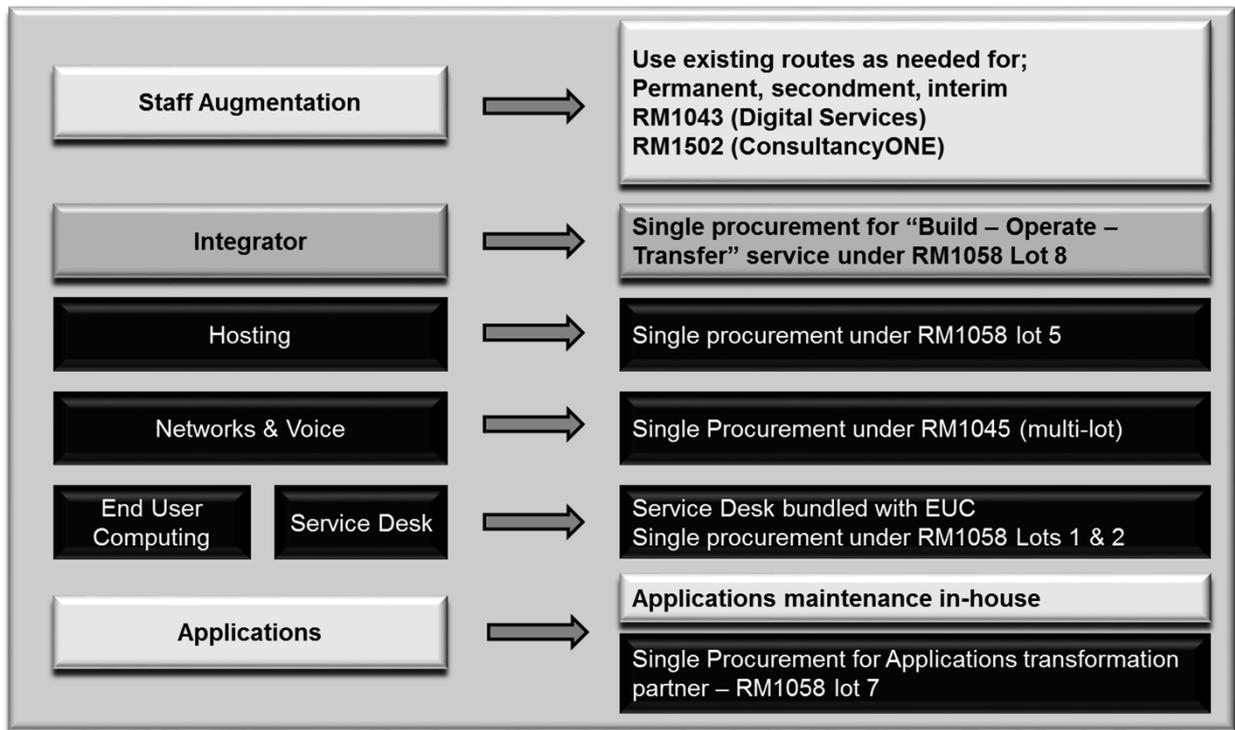
### **Market considerations**

39. A key factor in developing the IT sourcing strategy was that it should fully support the move to a multi-source service model. A key benefit envisaged from adopting this approach to service delivery is to move away from a single procurement to appoint a single supplier, instead adopting greater flexibility and agility in our procurement strategy, packaging services so that they are attractive to and can be delivered by smaller suppliers and facilitating smaller, faster and lower risk procurements in the future.
40. As identified in the gateway 0 report, a number of procurement framework agreements exist in relation to the IT services. The use of an appropriate framework agreement, where available can be an efficient and expedient means for procuring these requirements. If an appropriate framework is not used the council would need to undertake its own EU compliant procurement and this might see duplication of effort already undertaken by the framework process, as well as involving longer timescales.
41. Work was undertaken to assure that Crown Commercial Services' Technology Services framework agreement (RM1058) and Network Services framework agreement (RM1045) met council requirements. This included;
  - a) a high-level review of suppliers registered on the relevant frameworks' lots (sections). A list of the frameworks' service lots and suppliers is in appendix A-B.

- b) a market engagement event to which a number of suppliers including those suppliers registered on the RM1058 and RM1045 frameworks were invited and to which circa 70 individuals representing 50 suppliers attended.
  - c) suppliers were asked to complete a post event questionnaire which sought to elicit their view of the council's proposed procurement.
42. Feedback from the market engagement event on the council's proposed procurement was positive and provides a good indication that there is adequate appetite, capability and competition within the market to meet the council's requirements.

**Proposed Procurement Route**

43. Following feedback from the market the sourcing and procurement strategy for the procurement of IT services was reviewed and further refined. Crown Commercial Service frameworks RM1058 and RM1045 are the recommended procurement route for the integrator, the 3 service towers and the application transformation partner. The specific framework and lot detail proposed for each service requirement is set out in Figure 3.



*Figure 3 – procurement strategy*

44. It is proposed that the procurement process will result in five separate contracts. Four of these contracts will be awarded to 4 different suppliers each delivering one of the; integrator, networks/telephony, hosting and service desk / end user computing services. We will achieve this by restricting the number of contracts a single supplier can win. This is covered in further detail in the evaluation section.
45. A fifth contract will be awarded for the application transformation partner. This could be a supplier who has been awarded one of the other four contracts as set out above.

## Key /Non Key decisions

46. This is a key decision.

## Procurement Project Plan (Key Decisions)

47. A list of key procurement dates is in table 1 below. A full table of procurement dates is located in appendix C.

Activity	Complete by:
DCRB Review Gateway 1	04/07/2016
CCRB Review Gateway 1	07/07/2016
Cabinet member briefing	13/07/2016
Approval of Gateway 1: IT Managed Services Procurement report (Delegated Authority)	20/07/2016
Invitation to further competition	29/07/2016
<b>Evaluation Stage 1: Integrator Procurement</b>	
Closing date for return of tenders	05/09/2016
Completion of evaluation of tenders	23/09/2016
DCRB Review Gateway 2	26/09/2016
CCRB Review Gateway 2	29/09/2016
Approval of Gateway 2: Contract Award Report (Delegated Authority)	14/10/2016
Contract award	01/11/2016
Contract start	02/11/2016
<b>Evaluation Stage 2: Network / Telephony, Hosting, Service Desk / End User Computing, Application Transformation Partner Procurement</b>	
Closing date for return of tenders	19/09/2016
Completion of evaluation of tenders	04/11/2016
DCRB Review Gateway 2	07/11/2016
CCRB Review Gateway 2	10/11/2016
Approval of Gateway 2: Contract Award Report	13/12/2016
Contract award	03/01/2017
Contract start	04/01/2017

*Table 1 - Key dates*

## Identified risks for the procurement

48. Table 2 contains the most significant risks considered in the preparation of this report. A full risk analysis and management of risk will be undertaken as the procurement progresses.

Risk	Consideration/Mitigation	Mitigated Risk Rating (L, M, H)
<p><b>1) Time to complete procurement:</b></p> <p>The challenging timeframe in which to complete this work prior to January 2017 when the existing IT managed service contract ends unless previously extended.</p>	<p>Completion prior to January 2017 is considered to be high-risk and it is proposed to mitigate this by extending the existing IT managed service contract.</p> <p>An extension of the current IT managed service contract covering the full scope of outsourced services for a period of 6-months from February 2017 to July 2017 will be recommended in a separate gateway 3 report.</p> <p>Transition planning undertaken to date has been reviewed by suppliers as part of the market engagement. Whilst considered by some to be challenging there was positive feedback that it was achievable.</p> <p>The procurement plan has considered internal governance and where appropriate we are planning to request delegated authority to achieve our key milestone dates</p> <p>The appointment of the integrator supplier is to be expedited so that they can assist with the development of service transition plans.</p> <p>Additional resource has been deployed on a temporary basis to drive the procurement process and to prepare the current service to transition.</p> <p>Having reviewed the plans in place it is considered that the extension to be recommended will give sufficient time to enable the majority of services to transition during the 6 months prior to July 2017.</p>	<p>M</p>
<p><b>2) Service Performance:</b></p> <p>It is possible that the</p>	<p>The incumbent has provided executive level commitment to fulfilling all contractual commitments.</p>	

Risk	Consideration/Mitigation	Mitigated Risk Rating (L, M, H)
<p>incumbent IT provider could fail to deliver an acceptable service during the procurement and transition period.</p>	<p>The incumbent is engaged in discussions with the council regarding a contract extension, which will include addressing any commercial barriers to delivery of an effective service.</p> <p>A contract extension would provide on-going opportunity for the incumbent to undertake project work planned for the coming 12 months which would generate additional income for them.</p> <p>The outcome of commercial discussions and recommendation for a contract extension will be progressed through a separate gateway 3 report.</p> <p>There are a number of other contracts that the incumbent IT provider has with the council which are unaffected by the council's intent to re-procure IT services. These provide good reason for maintaining and further developing their relationship with the council and consequently in delivering a good service.</p> <p>A poor service which falls below contracted service levels will incur service credits.</p> <p>Council officers and the incumbent provider will continue with regular contract management and maintain good working relations.</p>	<p>M</p>
<p><b>3) Lack of expertise and resource to undertake required procurement and evaluation work:</b></p> <p>The council lacks the relevant expertise or has insufficient resource to complete the procurement.</p> <p>The council lacks the staff and/or skills to evaluate supplier tender responses.</p>	<p>ATOS has been contracted to assist with preparation of the invitation to further competition (ITFC), procurement and related activities.</p> <p>SharpePritchard have been contracted to supply legal support in addition to that provided by in-house resource.</p> <p>A small number of experienced IT contractors have been employed to assist with management of the existing service and to resource the council's procurement evaluation team.</p>	<p>L</p>

Risk	Consideration/Mitigation	Mitigated Risk Rating (L, M, H)
<p><b>4) Lack of suitable responses to the Invitation to Further Competition (ITFC):</b></p> <p>The council may receive little interest from IT service suppliers or a lack of suitable responses.</p>	<p>Assessment of the market formed part of the council's pre-procurement due diligence.</p> <p>Suppliers were directly engaged with through the market engagement event conducted by the council in June 2016. This was well received and elicited a positive response.</p> <p>There is a strong indication that each service lot will receive enough responses to deliver the desired level of competition</p>	L
<p><b>5) Service Cost</b></p> <p>Adopting a multi-source service model and delivering improvements to service quality may require increased funding.</p>	<p>Whilst there is a requirement to improve overall service quality it is noted that current financial constraint is a significant limitation.</p> <p>IT service improvements therefore need to be self-funding and/or lead directly to the delivery of improved council services and/or council efficiency savings.</p> <p>A review will be undertaken to assess current and future funding requirement and options.</p>	H
<p><b>6) Service integration in a multi-sourced service.</b></p> <p>One risk of a multi-sourced IT service is ensuring that all service suppliers integrate well to ensure that a seamless service is delivered.</p>	<p>This is a change in how the council manages and delivers IT services.</p> <p>Prioritising the procurement of the integrator supplier will enable transition planning to commence prior to the service tower suppliers being appointed.</p> <p>A master service agreement (MSA) and collaboration agreements will form part of the contracted arrangements to ensure a joined up approach from the suppliers to delivering an effective end-to-end service.</p> <p>Consideration is being given to the most effective means by which to incentivise the suppliers to deliver an effective holistic</p>	M

Risk	Consideration/Mitigation	Mitigated Risk Rating (L, M, H)
	<p>service,</p> <p>A resource and skills gap within the current in-house IT team has been identified and work is underway to design an organisational structure better suited to responsibly managing the new IT service.</p> <p>Professional services will be employed as required to assist with establishing the relevant in-house and blended team skills.</p>	
<p><b>7) High number of tender responses</b></p> <p>A high number of tender responses might be unmanageable</p>	<p>Experience indicates that this is unlikely.</p> <p>Some suppliers have and will deselect themselves.</p> <p>Resource is such that it is considered adequate to the task of evaluating the number of tender response anticipated.</p> <p>The procurement seeks to better engage with smaller suppliers, so a higher than normal response would be considered positively.</p>	L
<p><b>8) Framework end dates.</b></p> <p>Currently framework expiry dates do not align with our procurement timeline.</p>	<p>Should the framework expire prior to our placing a contract we would have to abandon the procurement.</p> <p>Both frameworks have the option to be extended.</p> <p>Discussions with Crown Commercial Service have given acceptable reassurance that the frameworks will be extended.</p>	L

*Table 2 – Significant risk considerations*

**Policy implications**

49. The IT service underpins almost every aspect of council services and is instrumental to the council delivering its promises and fulfilling its obligations.
50. The IT service is being developed such as to support fully the council’s digital strategy and to enable the future transformation of council services and working practices.

## **TUPE/Pensions implications**

51. The Transfer of Undertakings (Protection of Employment) Regulations 2006 (TUPE) may well apply to this tender. The appointment of a new contractor for, or the insourcing of, the existing services could amount to a Service Provision Change under TUPE.
52. The proposal to bring in-house the council's application estate presents TUPE and pensions implications for the council as an employer as any contractor employees engaged in the delivery of this service may transfer to the council.
53. TUPE is also likely to apply in relation to any incumbent and new provider of one of the other services, if that is the outcome of the tender, and in which case may result in the transfer of staff from one to the other. There may also be pensions implications for the council if there is a transfer from any incumbent provider of any staff who were originally employed by the council to deliver the service/s.
54. The current IT service provider has been asked to prepare staff information for direct and non-direct resource deployed on the council's IT managed service contract. This request covers also staff working for relevant Capita sub-contracted suppliers. Once this due diligence information is provided the full TUPE and pensions implications can be more closely determined. The due diligence information will, as relevant, also be made available to bidders within the tender documentation pack.
55. The procurement project timetable includes sufficient timelines to ensure that the council and any affected contractors are able to comply with legal obligations that could potentially arise in respect of TUPE.

## **Development of the tender documentation**

56. We propose to use Crown Commercial Services frameworks which have standard contract terms and conditions. These will be augmented to include the council's terms and requirements as well as any additional best practice based on the experience of the legal, procurement and IT teams.
57. The invitation to further competition (ITFC) documentation comprising high-level IT strategy, IT service requirements, IT service data pack and supplier response pro-forma is being prepared. It is anticipated this will be completed by 15 July.

## **Advertising the contract**

58. As the proposal is to use Crown Commercial Services framework agreements RM1058 and RM1045, no advertisement of the contract is required. Suppliers in each of the relevant lot, or lots of the framework agreement to be used will be invited to the further competition process.

## **Evaluation**

59. Both the RM1058 and RM1045 frameworks permit a range of evaluation measures to be used to evaluate supplier responses. It is proposed to evaluate tender responses for quality and price based on evaluation weighting as set out in tables 3 and 4.

Service Area	Procurement Route	Evaluation Criteria		Contract Length (extension option)	Estimated total contract value
		Quality	Price		
Integrator	RM1058 (lot 8)	60	40	2 years (+2)	tbc
Hosting	RM1058 (lot 5)	60	40	3 years (+1)	tbc
Service Desk & End User Computing	RM1058 (lot 1 & 2)	60	40	3 years (+1)	tbc
Networks & Telephony	RM1045 (lot 2 & agency)	60	40	3 years (+1)	tbc
Application Transformation	RM1058 (lot 7)	60	40	2 years (+1)	tbc

*Table 3 – Procurement overview*

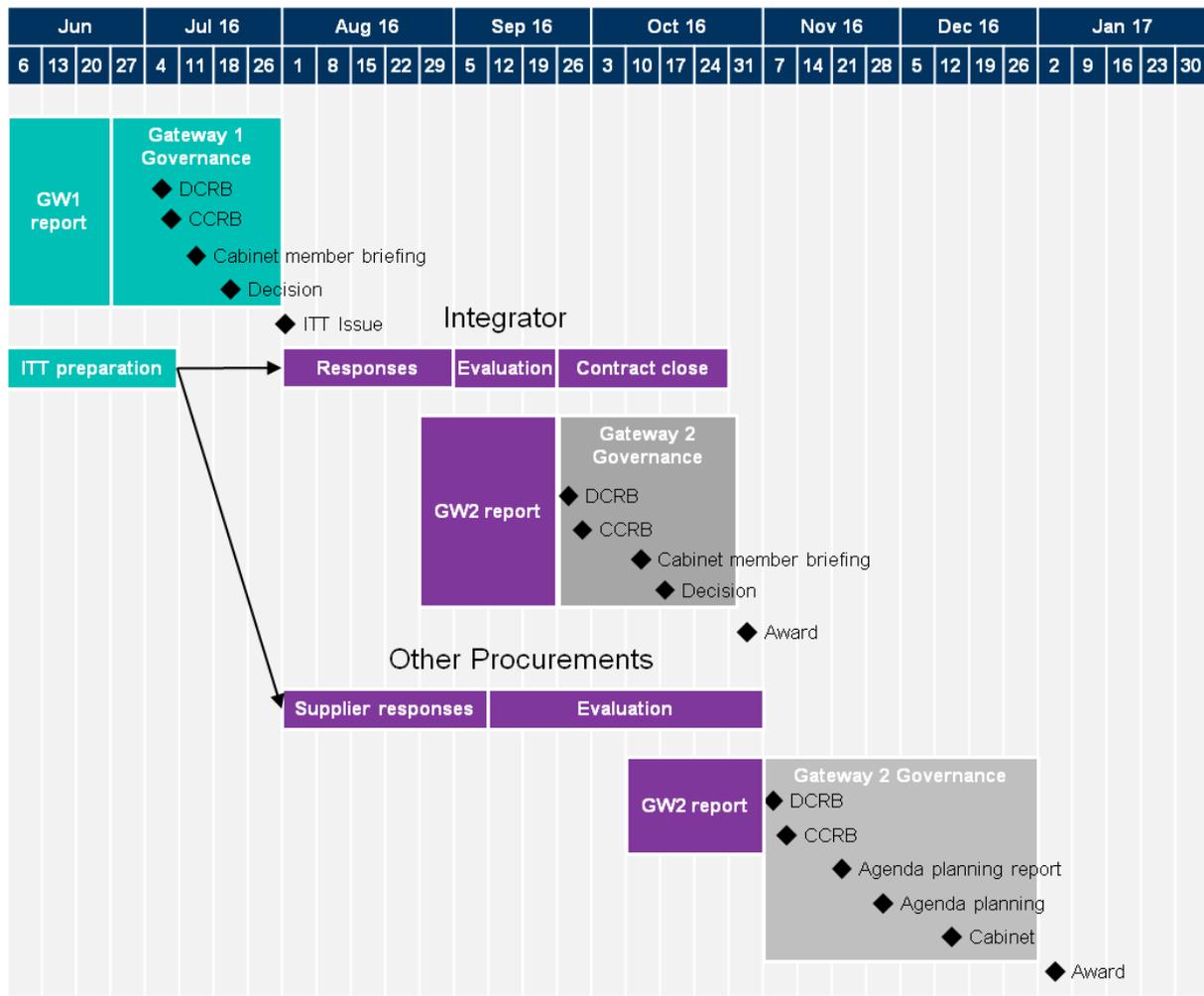
60. For all procurements we propose a weighting of 60:40 for quality and price respectively. The quality criteria will be weighted further by solution (40%), implementation (10%) and a presentation (10%). The solution criteria will be further sub-divided by the service lines within each of the procurement lots. See table 4.

CRITERIA	AREA	SCORE AVAILABLE
<b>QUALITY</b>	Transition/Implementation (3 sub-criteria)	(10%)
<b>QUALITY</b>	Solution (25 sub-criteria)	(40%)
<b>QUALITY</b>	Presentation	(10%)
<b>QUALITY</b>	Total quality score	60%
<b>PRICE</b>	Total price score	40%
	Total Score	100%

*Table 4 – evaluation criteria*

61. Quality is weighted higher than would usually be the case. This is a reflection of the poor state of and low user satisfaction with the current IT service and the corresponding importance which is placed on the need to address current service issues and to put in place the firm foundations to support business transformation and the digital strategy.
62. Price scoring evaluation is yet to be finalised however it will be appropriate for each of the procurement lots and contain a mix of fixed and variable cost elements. Evaluation criteria are likely to be based on;

- All directly comparable figures to be calculated into a single Net Present Value (NPV) using discounted cash flows
  - Elements that are not directly comparable will be separately weighted elements of the price score:
  - Clear volume assumptions based on best current prediction
  - Assumptions to be clearly stated in cost models
  - Any clarifications to be reflected by potential suppliers re-submitting amended cost model.
63. Whilst it is envisaged that investment in the service is required to achieve the desired outcomes, it is clear also that all such investment must deliver quantifiable improvements to service and a resultant increase in staff productivity and must meet the council's affordability criteria. To this end, work is in progress to review existing funding arrangements for the provision of IT services, consider and plan for future funding requirements and to agree the affordability criteria against which tender responses will be measured.
64. Our intent therefore is to appoint suppliers with the right capabilities, skills and desire to work collaboratively with the council and each other to deliver the significant changes and quality services required at an affordable price.
65. As detailed earlier, it is intended that the procurement process will result in 5 separate contracts with;
- a) 4 different suppliers, each delivering one of the integrator, networks/telephony, hosting and a combined service desk / end user computing service.
  - b) A supplier delivering the applications transformation management. This supplier could also supply the integrator or one of the three service towers.
66. If a supplier has submitted responses for the integrator and/or multiple service towers and has achieved the highest overall score for multiple lots, they cannot be appointed multiple contracts and the council will appoint based on the combination which delivers the most economically advantageous solution.
67. Prioritising the appointment of the integrator will enable transition planning to start prior to the appointment of the service tower suppliers. This will help to ensure a smooth transition and contribute to mitigating the risk of transition extending beyond the end of July 2017. To achieve this a two-phase procurement is proposed. See figure 4.



*Figure 4 – Procurement and governance timescale*

68. The recommended procurement approach will result in two gateway 2 reports which will be presented for consideration in autumn/winter 2016. To align with the proposed procurement timeline it is anticipated that approval will need to be sought to have the gateway 2 contract award report for the integrator considered under delegated authority.

**Procurement Phase 1 - Selection of the integrator.**

- 69. Tender responses for the service integrator function will be evaluated against the published criteria for quality of solution and implementation and price.
- 70. Tender responses will then be considered against the council's affordability criteria.
- 71. Following presentations, clarification and the receipt of references a moderation panel will review the final total scores and recommend a contract be awarded to the supplier which affords the council the most economically advantageous solution.
- 72. Contract length will be for two years, with the option to extend for up to two further years as required.

**Procurement Phase 2A - Selection of the hosting, network & telephony, service desk & end user computing service towers and the application transformation partner.**

73. Tender responses for the three service towers will be evaluated individually against the published criteria for quality of solution and implementation and price.
74. Tender responses will then be considered against the council's affordability criteria.
75. Following presentations, clarification and the receipt of references a moderation panel will review the final total scores and recommend a contract be awarded to the suppliers which, with due consideration to the council's preference for appointing different suppliers to each of the integrator, hosting, network & telephony and service desk / end user computing functions.
76. Whilst the detail is yet to be defined, in the event of a situation where one tenderer has the highest evaluated score in more than one of the towers, the evaluation panel will look at both the difference in quality scores and the pricing difference between the suppliers for each of the affected individual tower contracts to ensure that the best value for money and overall most economically advantageous tender is awarded across all of the contracts.
77. Contract length will be for three years, with the option to extend for up to one further year as required.

**Procurement Phase 2B - Selection of the application transformation partner**

78. Tender responses for the application transformation partner will be evaluated against the published criteria for quality of solution and implementation and price.
79. Tender responses will then be considered against the council's affordability criteria.
80. Following presentations, clarification and the receipt of references a moderation panel will review the final total scores and recommend a contract be awarded to the supplier which affords the council the most economically advantageous solution.
81. For clarity there is no restriction on this contract being awarded to a supplier awarded one of the other service contracts.
82. As this procurement is for a programme of work and not a service, the contract will be for delivery against milestones with payments likely to be based on achievement of those milestones. The programme of work is expected to last between 1 and 3 years.

**Evaluation Summary**

83. Table 5 provides an example of how supplier selection for phases 2A and 2B may occur, although the exact details are still to be decided. A list of suppliers registered on the frameworks proposed to be used is in appendix A-B.

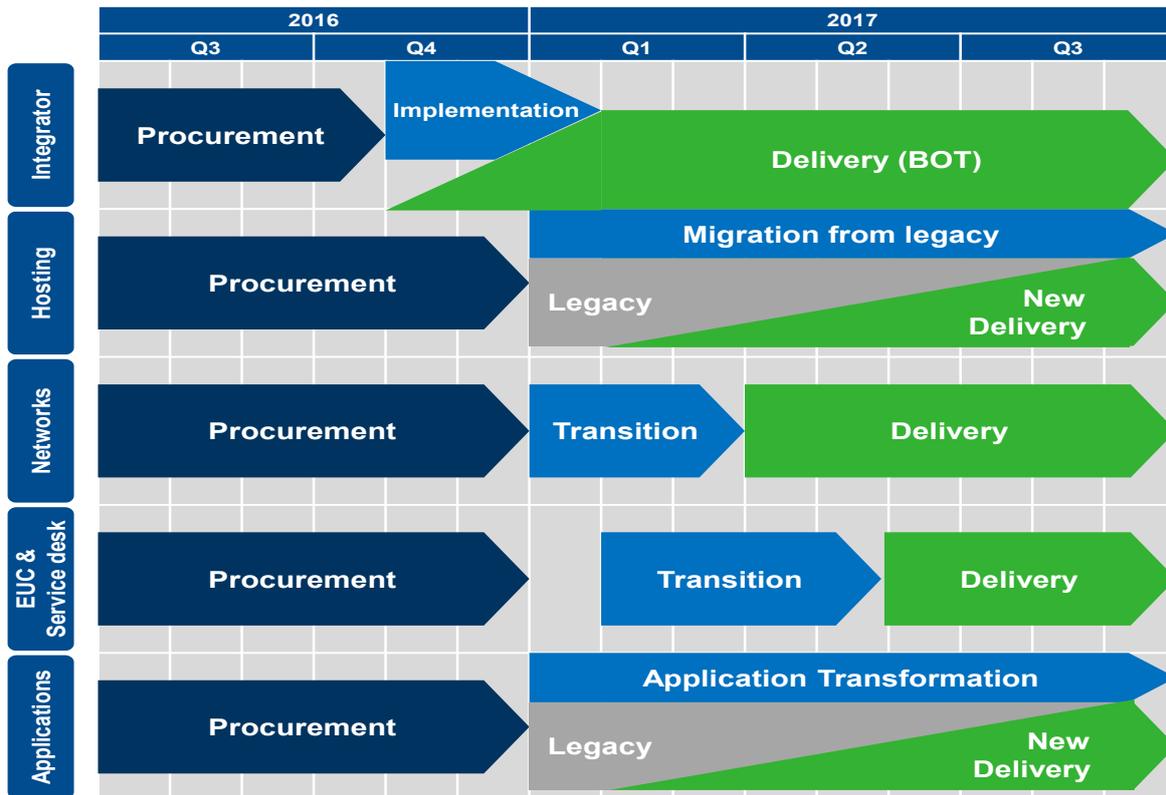
Tenderer	RM1058 Lot 8	RM1058 Lot 5	RM1058 Lots 1&2	RM1045 Lot 2	RM1058 Lot 7
	Integrator	Hosting	Service Desk & EUC	Network	Applications Transformation
<b>A</b>	80%	68%	-	66%	75%
<b>B</b>	70%	75%	80%	-	71%
<b>C</b>	65%	73%	75%	63%	70%
<b>D</b>	72%	68%	-	68%	65%
<b>E</b>	-	-	73%	65%	73%
<b>F</b>	-	67%	70%	70%	67%

*Table 5 – Supplier selection - example*

Notes:

- Initially tender responses for lot 8 (integrator) will be evaluated and awarded based on the most economically advantageous bid according to the evaluation criteria set out in this report.
- Subsequently tender responses will be simultaneously evaluated for the three service towers; Hosting, Service Desk and End User Computing and Network.
- In the eventuality that following the evaluation and contracting approach set out earlier the same potential supplier has the highest total percentage score in more than one of these three towers, (RM1058 Lots 1&2, Lot 5 and RM1045 Lot 2), then the council will review the overall tender responses and evaluation combinations as set out in paragraph 76 in order to determine the combination of suppliers that ensures that the best overall value for money and most economically advantageous tender is awarded across all of the contracts.
- In the example set out above in table 5,
  - Supplier A has the highest total percentage score for Lot 8 (Integrator) and will be awarded that contract.
  - Supplier A's bids for other towers will not be considered as they have already been awarded one tower contract.
  - Supplier B has the highest total percentage score for both Lot 5 (Hosting) and for Lots 1&2 (Service Desk and End User Computing).
  - With consideration to the evaluation methodology as set out in paragraph 76, Lots 1&2 (Service Desk and End User Computing) would be awarded to supplier B whilst Lot 5 (Hosting) would be awarded to supplier C.
  - Supplier A also has the highest total percentage score for Lot 7 and will be awarded that contact as there being no restriction on appointing the same supplier for these two contracts.

## Contract award and transition phasing



*Figure 4 – contract and transition timescale*

84. Figure 4 outlines the phases of the procurement process. Prioritisation is given to evaluation of the service integrator with contract award expected in November 2016. Evaluation and award of the service towers and application transformation partner follow with award of contracts expected in January 2017.
85. Transition timescales for each of the services will be finalised with the selected integrator and tower suppliers however it is likely that these will be staggered so as to reduce the risk of adversely impacting the service whilst still achieving broad completion of transition activities prior to end of July 2017.

### Sustainability considerations

86. The Public Services (Social Value) Act 2012 requires the council to consider a number of issues including how what is proposed to be procured may improve the economic, social and environmental well-being of the local area. These issues are considered in the following paragraphs, which set out economic, social and environmental considerations.

### Economic considerations

87. The proposed introduction of different sourcing and procurement strategies means that a direct comparison with the existing IT managed service arrangements and pricing is not currently possible. It is reasonable however to assume that the implementation of the new service model and the requirement to address legacy and quality issues will likely require investment above levels which are currently budgeted for.

88. Suppliers will be asked to detail their commitment to corporate social responsibility (CSR) by providing examples of how they have applied this in practice. In addition, suppliers will be asked to detail any proposals for Southwark specific CSR initiatives, such as use of local apprentices, engagement within schools, local volunteering, etc.
89. CSR proposals are required to be broadly cost neutral to the council whilst demonstrating real value to the borough and/or council.
90. Suppliers will be asked to detail the proposed use of any local sub-contractors.

### **Social considerations**

91. The adoption of a multi-source operating model, use of the selected Crown Commercial Service frameworks and the intent to award service tower contracts to separate suppliers should provide opportunity and incentive for smaller suppliers to bid for these council services.
92. The council is an officially accredited London Living Wage (LLW) Employer and is committed to ensuring that, where appropriate, contractors and subcontractors engaged by the council to provide works or services within Southwark pay their staff at a minimum rate equivalent to the LLW rate. It is expected that payment of the LLW by the successful contractor for this contract will result in quality improvements for the council. These should include a higher calibre of multi-skilled employees that will contribute to the provision of the services within Southwark and will provide best value for the council. It is therefore considered appropriate for the payment of LLW to be required. Whilst the nature of the services to be provided is such that the rate paid to staff is already expected to exceed the LLW, the council will where appropriate include a requirement in the contract conditions to require this payment to be made.
93. The council will include its standard requirements in relation to blacklisting in its ITFC and the contract documents.
94. In line with the Fairer Future Procurement Strategy agreed by Cabinet on 07 June 2016 the successful suppliers will be required to sign up to the council's Diversity Standard. The Standard sets out the policies and expectations for ways of working when delivering contracts that protect the workforce delivering on behalf of Southwark Council. These include:
  - Requirement for an offer of guaranteed hours (zero hour contracts)
  - Payment of London Living Wage (where appropriate).
95. In addition to these the standard commits contractors to:
  - Making sure that everyone who needs to can use their services and making sure that they meet the diverse needs of service users and staff.
  - Actively contributing to making our communities more cohesive by welcoming and treating everyone with respect and dignity.
  - Making reasonable adjustments to ensure that all customers and service users are not placed at a disadvantage due to perceived differences. Considering how services can affect different groups, taking action to tackle barriers to access where these exist.

- Recruitment and employment practice that encourage equality of opportunity and respect for diversity and tackle barriers faced by specific groups. Actively working to create a workforce that is representative of the local community and our customers.
- Seeking opportunities to work with the local community and local community organisations to tackle inequality, for example by supporting people to develop the skills they need to participate economically, culturally and socially
- Having systems in place to deal with any complaints of discrimination promptly, fairly, openly and effectively.
- Encouraging other employers to adopt similar practices.

### **Environmental considerations**

96. Direct benefit should arise from the decommissioning of the council's Tooley St data centre and the re-provisioning of IT services onto infrastructure-as-a-service (IaaS) and software-as-a-service (SaaS). Hosted and cloud based services are typically provisioned from high efficiency data centres and make use of modern, highly-scaled and efficient means of delivering IT services.
97. Benefits expected to arise from the services to be procured and the related improvement projects include increased quality of IT services, fewer service issues, increased staff productivity and the intended adoption of mobile working which is anticipated to result in decreased requirement to print documents.

### **Plans for the monitoring and management of the contract**

98. In the short-term additional contract resource has been assigned to manage more closely the current service provider and to prepare for and assist with procurement and transition activities. For the medium term it is to be recommended that the permanent in-house retained function be developed and augmented to ensure that it has the relevant skills and resource to undertake the required level of business and supplier engagement and management.
99. Clearer governance is being developed and will be implemented and enforced. This will be aided by the use of an external integrator partner to drive and manage the service towers.
100. Contracts will include; a master service agreement (MSA), supplier collaboration agreements and service level agreements which will be reported on and reviewed monthly.
101. Consideration is being given to the means by which the council can motivate and incentivise suppliers to deliver an end to end service which results in a significantly enhanced end user experience and/or a measurable and quantifiable productivity gain.

### **Staffing/procurement implications**

102. There is a requirement to develop internal skills and resource to be better able to manage the council's technical strategy, vendor management and programmes and projects.

103. To support this, the structure and composition of the council's IT team is under review and a draft structure is being prepared. Council's Reorganisation, Redeployment and Redundancy Procedure on managing change and consulting with departments, staff and the respective unions will be followed.
104. It is proposed that the applications management function is in-sourced as set out in paragraph 36-39. This may result in the transfer of staff from the incumbent to the council under TUPE regulations. In that event, the council will comply with its obligation under TUPE.

### **Financial implications**

105. In considering future service cost it is recognised that there are a number of factors which will impact overall funding requirement, especially in the short-term. These include; remediation of current service issues, improvements to service quality, service transition and adopting more modern, mobile methods of working.
106. As set out earlier, whilst the need for change and improvement is clear this needs to be set against a background of decreasing council budgets and financial constraint. The emphasis must therefore be on prioritising areas which will derive the greatest benefit to the council and residents whilst being affordable.
107. What this means for the council's budget going forward will be determined as part of the tender evaluation process which will include a test of affordability.

### **Consultation**

108. A cross departmental group chaired by the strategic director housing and modernisation has been established to oversee the development of the council's sourcing strategy, any resulting procurement and the effective improvement of the council's IT service.
109. A series of stakeholder meetings were conducted which included councillors, strategic directors and other officers.
110. A staff survey undertaken as part of the SoCITM benchmarking exercise has provided useful information which will be incorporated into our service design and our procurement requirements.
111. A market engagement event was held to which circa 50 potential suppliers of the services to be procured attended.

### **Other implications or issues**

112. An IT strategy is being developed in parallel with the service re-design and procurement. It is anticipated that a draft IT strategy will be available in early July for consultation and will be presented to cabinet for approval in September 2016.
113. The time required to procure and transition to a multi-sourced service will require an extension to the existing IT managed service contract which is due to expire on 31 January 2017. The proposed extension is being progressed currently and will be subject to a separate gateway 3 report.

## **SUPPLEMENTARY ADVICE FROM OTHER OFFICERS**

### **Strategic Director of Finance and Governance (F&G15/023)**

114. The report sets out the procurement strategy for the provision of IT managed services. It recognises that IT underpins every aspect of the council's services and is critical to the delivery of the digital transformation agenda going forward. The proposed strategy is a departure from the traditional single supplier solution and proposes a multi-sourced model; the critical service elements and the rationale under-pinning each being highlighted in the report. The strategy may lead to a greater emphasis on cloud based service provision rather than the traditional infrastructure ownership model and this potentially shifts the funding balance from capital to revenue, which presents a greater budget challenge for the council to manage within the current financial environment.
115. Given the nature of the procurement it is not possible to accurately predict the contract value or quantify any additional revenue/capital resource requirements over and above what currently exists, and notwithstanding future year's revenue budgets that already have savings predicated against them. The capture of historical IT spend across the council, may not necessarily be an accurate basis for assessing the budget baseline and requires further validation. Whilst it is generally accepted that the council's current IT provision is not at an optimal level and requires improvement, the question of affordability must be an intrinsic element in the design of the service model and tender evaluation and the council needs to be fully cognisant of the financial constraints and competing budget priority to maintain front-line service provision. The indicative timeline shows the new contract arrangements being finalised in Autumn 2016, which provides little time for the impact to be incorporated into the 2017/18 budget cycle. In that situation, any additional resource requirement is likely to be a call on reserves initially.

### **Head of Procurement**

116. This report seeks the approval of the cabinet member for finance, modernisation & performance for the procurement strategy contained within the recommendations in paragraphs 1(a)-(e) of this report to deliver the council's IT managed services.
117. The IT managed service will be delivered by 4 or 5 different supplier, across 5 different contracts. The individual services that are to be procured are for an Integrator service, followed by 3 additional towers or key services areas for Hosting, Network and Telephony and a combined service desk and End User Computing requirement. Each of these contracts being delivered by a differ supplier. An Application Transformation service will also be procured as part of the process but this could awarded to a supplier also delivering one of the four service tower contracts.
118. The report details that the approach to using specialist framework agreements available to the council that have been let by the Crown Commercial Service (CCS) in that are compliant with the public contract regulations 2015. The key risk to the procurement timetable is with the end date of framework agreement RM1058 as detailed in the risk table under paragraph 49. A list of suppliers on the relevant framework lots are included to demonstrate sufficient competition within the market place for the proposed procurement and contracting strategy.
119. Paragraphs 60 – 83 of the report set out the phased approach to procurement and evaluation process that will be undertaken for awarding the contracts to ensure that the evaluation and award process delivers best value for money for the council.

120. The social value considerations and inclusions that are to be included as part of the tender process are outlined in paragraphs 87-90, as well as addressing key considerations such as the payment of London Living Wage and signing up to the council's Diversity Standard.

121. The arrangements for the monitoring and measurement of the contract are detailed in the report in paragraphs 98-101.

**.Director of Law and Democracy**

122. This report seeks the cabinet member's approval to the procurement strategy for the services noted in paragraphs 1(a)-(e) of this report.

123. The nature of the contracts to be procured are such that they are subject to the full tendering requirements of the Public Contract Regulations 2015. However as noted in this report, the intention is for the council to procure these contracts through the Crown Commercial Services frameworks RM1058 and RM1045, both of which have been procured through an EU compliant process, and therefore meets the 2015 regulation requirements.

124. The approval of this procurement strategy is a decision reserved to the cabinet, however this decision was delegated to the cabinet member for finance, modernisation and performance by the Leader, under his strong leader powers.

**BACKGROUND DOCUMENTS**

<b>Background Papers</b>	<b>Held At</b>	<b>Contact</b>
Gateway 0 IT Managed Services Sourcing Options – open report	160 Tooley St SE1 2QH	Chris Anderson 020 7525 0624

**APPENDICES**

<b>No</b>	<b>Title</b>
Appendix A	Crown Commercial Service framework RM1045 Service Lots and suppliers
Appendix B	Crown Commercial Service framework RM1058 Service Lots and suppliers
Appendix C	Project timeline

## AUDIT TRAIL

<b>Lead Officer</b>	Gerri Scott, Strategic Director of Housing and Modernisation	
<b>Report Author</b>	Mark Compton-James, Head of Information Technology Chris Anderson, Head of IT Strategy	
<b>Version</b>	Final	
<b>Dated</b>	21 July 2016	
<b>Key Decision?</b>	Yes	
<b>CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER</b>		
<b>Officer Title</b>	<b>Comments Sought</b>	<b>Comments included</b>
Strategic Director of Finance and Governance	Yes	Yes
Head of Procurement	Yes	Yes
Director of Law and Democracy	Yes	Yes
<b>Cabinet Member</b>	Yes	Yes
<b>Date final report sent to Constitutional Team</b>		21 July 2016

## APPENDIX A

### Crown Commercial Service framework RM1045 Service Lots

Lot	Description
1	<p><b>Data access services:</b></p> <p>Ranged connectivity services enabling site-to-site or site-to-cloud interconnectivity. Includes terrestrial, wireless and satellite solutions, network security, equipment, support, connectivity circuits, IP connectivity, ISP and internet services, broadband routing, home and teleworker packages and online storage.</p>
2	<p><b>Local connectivity services:</b></p> <p>Single site connectivity including LAN equipment, SAN equipment, wired or wireless connectivity. Scope also includes specialised power solutions, managed equipment rooms, monitoring, audit and testing services, security and operational management solutions and optimal equipment operation services.</p>
3	<p><b>Traditional telephony services:</b></p> <p>Voice services enabling local traditional telephony equipment to be connected to the PSTN. Includes traditional voice connectivity, voice call packages, SIP trunks, DDI ranges and CPS services. The scope of this lot also includes the on-boarding and management and maintenance of existing legacy equipment estates with support for transitioning to new solutions at end of life.</p>
4	<p><b>Inbound telephony services:</b></p> <p>Inbound call management services for established local call centre functions including non-geographical numbers e.g. 03xx, 05xx, 08xx and 09xx numbers.</p>
5	<p><b>IP telephony services:</b></p> <p>End-to-end IP telephony services with the ability to connect to the PSTN. The solutions under this lot are strictly IP based and include voice call packages, DDI ranges, messaging services, contact-centre functionality, speech recognition software, automated call distributions, intelligent voice response and specialist administrative and reporting tools.</p>
6	<p><b>Mobile voice and data services:</b></p> <p>Mobile voice and/or data services, including voice calls, SMS, voicemail services, mobile data connectivity, mobile e-mail services, mobile data applications, value added mobile services and mobile device management.</p>
7	<p><b>Paging services:</b></p> <p>A range of paging and mobile messaging services including bureau services.</p>

Lot	Description
8	<p><b>Video-conferencing services:</b></p> <p>Traditional and IP based conferencing services and the provision of all elements of a complete solution. This lot includes consultancy and training services, software management tools, call recording, analysis tools, peripheral equipment and transcribing and translation services.</p>
9	<p><b>Audio-conferencing services:</b></p> <p>Audio-conferencing services including call recording, playback, analysis tools, the ability to reserve and pre-book, DDI numbers, coded access references peripheral equipment, software, management tools, security access products, collaboration tools and transcribing and translation services.</p>
10	<p><b>Integrated communications:</b></p> <p>The provision of integrated communications solutions to provide a consistent user interface across a range of end-user devices. This lot incorporates components from lots 5, 6, 8 and 9.</p>
11	<p><b>Agency services:</b></p> <p>The ability to appoint an agent is only available via a general further competition where your requirements include a core component from one or more of the ten lots of the agreement. Agency services is not a lot in its own right and can only be procured as an additional requirement to one or more of the ten agreement lots detailed above. Agency services can be provided by the suppliers listed under Agency services in the lot details tab below.</p>

**Crown Commercial Service framework RM1045 Lot 2 and agency suppliers**

DAISY COMMUNICATIONS LTD
DIMENSION DATA NETWORK SERVICES LTD
LOGICALIS UK LTD
MAINTEL EUROPE LTD
THE NETWORKING PEOPLE (NORTH WEST) LTD
UNIFY ENTERPRISE COMMUNICATIONS LIMITED
VIRGIN MEDIA BUSINESS LIMITED

## APPENDIX B

### Crown Commercial Service framework RM1058 Service Lots

Lot	Description
1	<p><b>Help desk/Service desk</b></p> <p>The single point of contact between a service provider and users within an organisation. A typical service desk manages Incidents and service requests, and also handles communication with the users.</p>
2	<p><b>Desktop Support</b></p> <p>The technical services offered by a support organisation to user(s) experiencing problems with their technology assets. Support may be on either hardware or software running on the affected computing device. Support may include but is not limited to: IMACD (Installation, Move, Add, Change and Disposal) and local remote services.</p>
3	<p><b>Network Management</b></p> <p>A set of hardware and/or software tools that allow an IT organisation to supervise the individual components of a network within a larger network management Agreement. Network management system components assist with but are not limited to: network device discovery; network device monitoring; network performance analysis and intelligent notifications.</p>
4	<p><b>Network and content security</b></p> <p>Managed network security services are tasks or processes related to network security. Includes:-</p> <ul style="list-style-type: none"> <li>• Device management; monitoring and remediation;</li> <li>• email security' including anti-spam, anti-malware and IP filtering;</li> <li>• network intrusion detection and prevention;</li> <li>• asset classification and change management;</li> <li>• data leak protection,</li> <li>• the creation of access control policies.</li> </ul>
5	<p><b>Infrastructure and platform, maintenance and support</b></p> <p>Manage all infrastructure hardware and software operations, including server and storage systems. Support production applications, whether open source, developed in-house, or third party.</p>

Lot	Description
	<ul style="list-style-type: none"> <li>• Break fix — focused on servers and storage.</li> <li>• Platform support and maintenance is the management of hardware and software architecture in order to allow applications to operate. Platforms can include one or several hardware and/or software components:</li> </ul>
6	<p><b>Audit services and asset management</b></p> <p>Asset management is a service that offers systematic and independent examination of data, statements, records, operations and performances (financial or otherwise) of IT Software and Hardware. Audit services are formal inspections and verifications to check whether a Standard or set of Guidelines is being followed, that Records are accurate, or that Efficiency and Effectiveness targets are being met.</p>
7	<p><b>IT Infrastructure Transition Services and Delivery</b></p> <p>IT Infrastructure Transition Services is to assist customers when they need to move, re-build or re-deploy IT services from one organisation to another. Service Transition also makes sure that changes to services and Service Management processes between existing and new service provider are carried out in a coordinated way.</p>
8	<p><b>Service Integration/Service Integrator</b></p> <ul style="list-style-type: none"> <li>• IT Service Integration is to manage enterprise IT services delivered by multiple suppliers across different delivery models in one integrated enterprise service management process. IT Service Integration should address the following key challenges many customers struggle with Complexity, managing their internal and external suppliers within multi sourcing environments</li> <li>• Cost and Effort, ensuring lower costs and improved performance are not losing ground to increased effort in effective supplier management</li> <li>• Transparency, ensuring there is end-to-end and cross-supplier service transparency with clear and consistent or unclear service reports</li> <li>• Roles and Responsibilities are clear and risks managed effectively.</li> <li>• Compliance with contractual agreements, regulatory requirements, industry standards and business objectives.</li> </ul>
9	<p><b>Disaster Recovery/ Business Continuity</b></p> <p>Disaster recovery policies and procedures that are related to preparing for recovery or continuation of the technology infrastructure which are vital, to organisations business continuity, after a natural or human-induced disaster. This service will include but not be limited to;</p> <ul style="list-style-type: none"> <li>• Resilience testing,</li> </ul>

Lot	Description
	<ul style="list-style-type: none"> <li>• Recovery testing and planning</li> <li>• Contingency planning and support.</li> </ul>
10	<p><b>Back up and Data Services</b></p> <p>A remote, on-line, or managed backup service, provides users with a system for the backup, storage, and recovery of computer files. On-line backup organisations will provide this type of service to end users.</p>
11	<p><b>Asset Disposal</b></p> <p>A computer recycling service that offers but is not limited to include: data destruction to UK Government CESA standards with certificated proof of erasure for every hard drive or data bearing asset; a managed IT disposal service that can be fully integrated with roll-out programmers and other service partners; full audit trail with itemised reporting; IT disposal services are WEEE Compliant.</p>

#### Crown Commercial Service framework RM1058 Lot 8 (Integrator) suppliers

ACCENTURE (UK) LTD	INTUITIVE SYSTEMS AND NETWORKS LIMITED
ADVANCED 365 LTD.	LOCKHEED MARTIN BUSINESS TECHNOLOGY SOLUTIONS LTD
ATOS IT SERVICES UK LIMITED	MAINDEC COMPUTER SOLUTIONS LTD
BRAMBLE HUB LTD	MOTT MACDONALD LTD
CAPGEMINI UK PLC	MOUCHEL MANAGEMENT CONSULTING LTD
CAPITA SECURE INFORMATION SOLUTIONS LTD	MOZAIC-SERVICES LTD
CGI IT UK LTD	NORTHGATE INFORMATION SOLUTIONS UK LTD
CIVICA UK LTD	NOVOSCO LTD
COGNIZANT TECHNOLOGY SOLUTIONS (UK)	NTT DATA UK LTD
COMPUTACENTER (UK) LTD	PWC LLP
CSC COMPUTER SCIENCES LIMITED	SOFTCAT LTD
ESTEEM SYSTEMS LTD	SPECIALIST COMPUTER CENTRES PLC
EUROPEAN ELECTRONIQUE LTD	ST HELENS & KWSLEY HOSPITAL N H S TRUST
FUJITSU SERVICES LIMITED	STERIA LTD
HP ENTERPRISE SERVICES UK LTD	TELENT TECHNOLOGY SERVICES LTD
HUNTER MACDONALD LIMITED	UKN GROUP LIMITED
INFORMATION SERVICES GROUP EUROPE LIMITED	WATERSTONS LIMITED

**Crown Commercial Service framework RM1058 Lot 5 (Hosting) suppliers**

ACCENTURE (UK) LTD	HUNTER MACDONALD LIMITED
ADVANCED 365 LTD.	I2N
AMICUS ITS LIMITED	INSIGHT DIRECT (U K) LTD
ANS GROUP PLC	INTRINSIC TECHLOGY LTD
ATOS IT SERVICES UK LIMITED	INTUITIVE SYSTEMS AND NETWORKS LIMITED
BLOCK SOLUTIONS LTD	KELWAY LTD
BRAMBLE HUB LTD	LANDMARK INFORMATION GROUP LTD
CAPGEMINI UK PLC	LITTLEFISH (UK) LTD
CAPITA SECURE INFORMATION SOLUTIONS LTD	MAINDEC COMPUTER SOLUTIONS LTD
CAPITO LTD	MDS TECHLOGIES LTD
CENTERPRISE INTERNATIONAL LTD	MOUCHEL MANAGEMENT CONSULTING LTD
CENTIANT INTL LIMITED	NCE COMPUTER GROUP (EUROPE) LTD
CGI IT UK LTD	NORTHGATE INFORMATION SOLUTIONS UK LTD
CIVICA UK LTD	NOVOSCO LTD
COGNIZANT TECHLOGY SOLUTIONS (UK)	NTT DATA UK LTD
COMPAREX UK LTD	PERVASIVE NETWORKS LTD
COMPUTACENTER (UK) LTD	PROLINX LTD
COMPUTER COMPUTER LTD	RICOH UK LTD
CSC COMPUTER SCIENCES LIMITED	ROC TECHLOGIES LTD
DACOLL LIMITED	SOFTCAT LTD
DATRIX	SPECIALIST COMPUTER CENTRES PLC
DIMENSION DATA COMMUNICATIONS UK LTD	ST HELENS & KWSLEY HOSPITAL N H S TRUST
DISTRIBUTOR SYSTEMS INTERNATIONAL	STERIA LTD
ESTEEM SYSTEMS LTD	TELENT TECHLOGY SERVICES LTD
EUROPEAN ELECTRONIQUE LTD	THE STATIONERY OFFICE LTD
FUJITSU SERVICES LIMITED	TRUSTMARQUE SOLUTIONS LTD
FUTURE GENERATION SOLUTIONS LTD	UKN GROUP LIMITED
HP ENTERPRISE SERVICES UK LTD	WATERSTONS LIMITED

**Crown Commercial Service framework RM1058 Lots 1 and 2 (Service Desk and End User Computing) suppliers**

ACCENTURE (UK) LTD	HUNTER MACDONALD LIMITED
ADVANCED 365 LTD.	INSIGHT DIRECT (UK) LTD
AMICUS ITS LIMITED	KELWAY LTD
ANS GROUP PLC	LITTLEFISH (UK) LTD
ATOS IT SERVICES UK LIMITED	MAINDEC COMPUTER SOLUTIONS LTD
BLOCK SOLUTIONS LTD	MOUCHEL MANAGEMENT CONSULTING LTD
BRAMBLE HUB LTD	NORTHGATE INFORMATION SOLUTIONS UK LTD
CAPITA SECURE INFORMATION SOLUTIONS LTD	NOVOSCO LTD
CAPITO LTD	NTT DATA UK LTD
CENTERPRISE INTERNATIONAL LTD	PHOENIX IT MANAGED SERVICES LTD
CGI IT UK LTD	PHOENIX SOFTWARE LTD
CIVICA UK LTD	PROLINX LTD
COGNIZANT TECHNOLOGY SOLUTIONS (UK)	SOFTCAT LTD
COMPAREX UK LTD	SPECIALIST COMPUTER CENTRES PLC
COMPUTACENTER (UK) LTD	ST HELENS & KWSLEY HOSPITAL N H S TRUST
CSC COMPUTER SCIENCES LIMITED	STERIA LTD
DACOLL LIMITED	STONE COMPUTERS LTD
ESTEEM SYSTEMS LTD	TELENT TECHLOGY SERVICES LTD
EUROPEAN ELECTRONIQUE LTD	UKN GROUP LIMITED
FUJITSU SERVICES LIMITED	WATERSTONS LIMITED
HP ENTERPRISE SERVICES UK LTD	XMA LTD

**Crown Commercial Service framework RM1058 Lot 7 (Applications Transformation) suppliers**

ACCENTURE (UK) LTD	LANDMARK INFORMATION GROUP LTD
ADVANCED 365 LTD.	LITTLEFISH (UK) LTD
ATOS IT SERVICES UK LIMITED	LOCKHEED MARTIN BUSINESS TECHLOGY SOLUTIONS LTD
BRAMBLE HUB LTD	MAINDEC COMPUTER SOLUTIONS LTD
CAPITA SECURE INFORMATION SOLUTIONS LTD	MDS TECHLOGIES LTD
CAPITO LTD	NORTHGATE INFORMATION SOLUTIONS UK LTD
CENTERPRISE INTERNATIONAL LTD	NOVOSCO LTD
CGI IT UK LTD	NTT DATA UK LTD
CIVICA UK LTD	PERVASIVE NETWORKS LTD
COMPUTACENTER (UK) LTD	PHOENIX IT MANAGED SERVICES LTD
CSC COMPUTER SCIENCES LIMITED	PWC LLP
DACOLL LIMITED	RICOH UK LTD
DATRIX	SOFTCAT LTD
DISTRIBUTOR SYSTEMS INTERNATIONAL	SOFTWARE BOX LTD
EDUSERV	SPECIALIST COMPUTER CENTRES PLC
EUROPEAN ELECTRONIQUE LTD	ST HELENS & KWSLEY HOSPITAL N H S TRUST
FUJITSU SERVICES LIMITED	STERIA LTD
HP ENTERPRISE SERVICES UK LTD	TELENT TECHLOGY SERVICES LTD
HUNTER MACDONALD LIMITED	THE STATIONERY OFFICE LTD
INFORMATION SERVICES GROUP EUROPE LIMITED	UKN GROUP LIMITED
INTUITIVE SYSTEMS AND NETWORKS LIMITED	XMA LTD
KELWAY LTD	

## APPENDIX C

### Project timeline

Activity	Complete by:
DCRB Review Gateway 1	04/07/2016
CCRB Review Gateway 1	07/07/2016
Cabinet member briefing	13/07/2016
Notification of forthcoming decision	14/07/2016
Approval of Gateway 1: IT Managed Services Procurement report (Delegated Authority)	22/07/2016
Scrutiny Call-in period and notification of implementation of Gateway 1 decision	01/08/2016
Completion of tender documentation	15/07/2016
Publication of Tender Notice for all lots	01/08/2016
<b>Evaluation Stage 1: Integrator Procurement</b>	
Closing date for return of tenders	05/09/2016
Completion of evaluation of tenders	23/09/2016
Forward Plan (if Strategic Procurement) Gateway 2	31/07/2016
DCRB Review Gateway 2	26/09/2016
CCRB Review Gateway 2	29/09/2016
Cabinet member briefing	05/10/2016
Notification of forthcoming decision	06/10/2016
Approval of Gateway 2: Contract Award Report (Delegated Authority)	14/10/2016
End of scrutiny Call-in period and notification of implementation of Gateway 2 decision	24/10/2016
Debrief Notice and Standstill Period (if applicable)	01/11/2016
Contract award	01/11/2016
Add to Contract Register	02/11/2016
TUPE Consultation period (if applicable)	01/02/2017
Contract start	02/11/2016
Service Commencement	01/02/2017
Initial contract completion date	01/11/2018
Contract completion date – (if extension(s) exercised)	01/11/2020

<b>Evaluation Stage 2A &amp; 2B: Network / Telephony, Hosting, Service Desk / End User Computing, Application Transformation Partner Procurement</b>	
Closing date for return of tenders	19/09/2016
Completion of evaluation of tenders	04/11/2016
Forward Plan (if Strategic Procurement) Gateway 2	31/07/2016
DCRB Review Gateway 2	07/11/2016
CCRB Review Gateway 2	10/11/2016
Notification of forthcoming decision – despatch of Cabinet agenda papers	05/12/2016
Approval of Gateway 2: Contract Award Report	13/12/2016
End of scrutiny Call-in period and notification of implementation of Gateway 2 decision	21/12/2016
Debrief Notice and Standstill Period (if applicable)	24/12/2016
Contract award	03/01/2017
Add to Contract Register	04/01/2017
TUPE Consultation period (if applicable)	31/05/2017
Place award notice on Contracts Finder	04/01/2017
Contract start	04/01/2017
Service Commencement	04/04/2017
Initial contract completion date	04/01/2020
Contract completion date – (if extension(s) exercised)	04/01/2021