

Report for: Cabinet Member Signing – 30th November 2023

Title: SD-WAN Contract Variation

Report authorised by: Jess Crowe, Director of Culture, Strategy & Engagement

Lead Officer: Glenn Mason, Head of Technology

Ward affected: All

**Report for key/
Non-Key decision:** Key Decision

1. Describe the issue under consideration.

- 1.1 Request approval for the variation of the current contract to provide Haringey Council with the flexibility to extend the implementation of SD-WAN solutions to additional or new sites within the Haringey area. The original contract was initially established for 31 corporate links connecting to the core LBH offices.
- 1.2 LBH recognizes the importance of modernizing our network infrastructure to ensure efficient communication and data transfer across all council sites. The implementation of SD-WAN has proven to be a significant step forward in achieving this goal, providing improved network performance, scalability, and cost-efficiency.
- 1.3 The proposed variation aims to empower the Council with a mechanism to seamlessly bring other smaller or new sites into the SD-WAN environment. This flexibility is crucial to adapt to the changing needs and growth of our network infrastructure.

2. Cabinet Member Introduction

This report seeks to vary the current contract for the existing supplier LONDON GRID FOR LEARNING TRUST.

3. Recommendations

The Cabinet Member for Finance and Local Investment is asked: to approve the variation of the current contract value £499,000 by up to a value of 50% equal to a maximum of £249,500 and the alignment to the original contract end date of Three Years from the Installation Date for each connection as allowed under CSO 10.02.1 b Subject to the provisions of CSO 3.01 and the Regulations (in particular Regulation 72 of the Public Contract Regulations or Regulation 43 of the Concession Contracts Regulations (as

applicable), compliance with Financial Regulations and subject to satisfactory outcomes of contract monitoring; the following may authorise an extension or variation to a contract (b) the Cabinet where the value is £500,000 (five hundred thousand pounds) or more.

4. Reasons for decision

- 4.1 To enable the continued adoption of flexible working, so that officers can work in and for the Borough.
- *Adopting SD-WAN facilitates flexible working by providing reliable and secure connectivity for officers regardless of their location, enhancing productivity and enabling remote work arrangements.*
- 4.2 To fully align with the government's "Internet First" policy, the next generation corporate network is based on SD-WAN, which provides direct internet access at Council offices, libraries, youth, and community centres, and across the Borough.
- *Aligning with the government's "Internet First" policy ensures that the Borough's network infrastructure is modern and capable of providing direct internet access, promoting efficiency and digital accessibility.*
- 4.3 The technology also allows the Borough to take advantage of the reduced cost and delivery lead time of locally sourced internet connectivity compared to dedicated circuits (MPLS).
- *SD-WAN offers cost-effective and faster internet connectivity compared to traditional MPLS circuits, which is beneficial for the Borough in terms of both budgetary considerations and speed of implementation.*
- 4.4 Simplified and streamline delivery of future connectivity, giving the Borough flexibility and swift response to implement new initiatives to connect council with its residents.
- *SD-WAN simplifies the process of implementing and managing network connectivity, providing the Borough with the flexibility to adapt to future initiatives quickly and connect with residents more effectively.*
- 4.5 The contract seeks to allow an extension of the SD-WAN solution to meet the council's accommodation strategy requirements.
- *The contract is designed to accommodate the Borough's future needs, including expansion or changes in the accommodation strategy, ensuring long-term scalability and adaptability.*
- 4.6 The supplier is providing improved performance and resolution to agreed service level agreements (SLA). Hardware refresh included within the scope of the contract with client premise equipment (CPE) replaced at the sites.
- *The selected supplier offers improved network performance and meets agreed-upon service level agreements, which is essential for maintaining efficient operations. Additionally, the hardware refresh ensures the reliability and modernization of the network infrastructure.*
- 4.7 The overlaying SD-WAN technology used is specific to individual suppliers.

- *SD-WAN technologies may vary among suppliers, and selecting a specific supplier ensures compatibility and a cohesive network infrastructure.*
- 4.8 Going out to market could result in interoperability issues in trying to get a new site to access required LBH IT services as well additional costs.
- *Seeking new suppliers in the market could lead to interoperability challenges and additional expenses in integrating new sites into the existing network, potentially disrupting IT services.*
- 4.9 Will negate issues regarding ownership when issues arise as will not be required to interface with multiple suppliers - technically, services desks, accounts, etc.
- *Having a single supplier simplifies ownership and accountability in case of issues or troubleshooting, reducing the need to coordinate with multiple suppliers and streamlining the resolution process.*
- 4.10 Cover additional costs that have not been accounted for within the original contract such as Civil Works, Wayleaves, and Permits being incurred and passed on by the supplier.
- *The contract includes provisions to cover unforeseen costs such as civil works, wayleaves, and permits, providing financial protection and ensuring that the supplier is responsible for any unexpected expenses.*
- 4.11 Scalability: The ability to include additional sites as needed, without the need for extensive contract renegotiations or procurement processes.
- 4.12 Cost-Efficiency: Optimizing network resources and reducing operational costs.
- 4.13 Network Performance: Ensuring consistent and high-quality connectivity across all council sites.
- 4.14 Adaptability: Responding quickly to new site requirements and network demands.

5. Alternative options considered

5.1 Do Nothing – Prohibits LBH from adopting flexible working.

- 5.1.2 This would mean the Council would be left without suitable office connectivity for its staff, and significant operational difficulties in achieving plans for more flexible working and as well having to keep legacy equipment operational and maintained.

5.2 Ad-Hoc Site Deployment

- 5.2.2 All future sites would have a consistent connectivity platform which based on chosen suppliers overlay SD-WAN technology as well all the managed service benefits.

6. Background Information

6.1 Context

- 6.1.1 The original report was approved on the 26th January 2023. The contract was to supply 31 new connectivity links with SD-WAN infrastructure under the SD-WAN project with view of setting the standard for any future site connectivity requirements for the Council as a whole.
- 6.1.2 The contract for the SD-WAN deployment had a total value of up to £499,000.00.
- 6.1.3 This variation is to support additional demand from the organisation based on the on the deployment outcomes of the current program.
- 6.1.4 The proposed budget will be identified by service owners this will be a call off contract and funding will be on a case-by-case basis. A process will be defined which will require approval from appropriate Business Management via Halo and the requesting Head of Service to confirm funds are available.
- 6.1.6 Increased partnership working with external organisations has been a positive experience.

7. Contribution to the Corporate Delivery Plan 2022-2024 High Level Strategic outcomes

7.1 Resident experience, collaboration and participation

Haringey Council provides corporate connectivity to enable service delivery to residents and users. SDWAN is essential in enabling successful operations within the Council and are vital in contributing to the fulfilment of the Corporate Delivery Plan and achieving positive outcomes for Haringey residents.

7.2 Statutory Officers comments (Chief Finance Officer, Procurement, Assistant Director of Corporate Governance, Equalities).

7.2.1 Carbon Management

“Implementing a Software-Defined Wide Area Network (SD-WAN) has several carbon reduction benefits. This leads to a more efficient network operations and reduces the environmental footprint of our IT infrastructure. Some key benefits include:

- **Reduced Energy Consumption:** By reducing the amount of data traffic going through data centres and between branch offices. This can result in energy savings as less equipment needs to be powered and cooled.
- **Reduced Hardware Footprint:** By centralizing network management and using virtualized network functions, this new system can help organizations reduce the number of physical network appliances and servers, leading to a smaller hardware footprint and reduced energy consumption.
- **Remote Work Optimization:** The rise of remote working through the use of SD-WAN enables employees to work from home or in satellite offices, reducing the need for commuting to centralized offices, which can lower carbon emissions associated with transportation.
- **Less Travel:** SD-WAN can facilitate video conferencing, collaboration, and remote communication, reducing the need for business travel.”

7.2.2 Finance

The £249,500 cost of this call-off contract extension to enable SD-WAN solutions to be implemented at additional or new sites within the borough will be funded from the requesting Service's revenue budgets. Projects will be assessed on a case-by-case basis with installations only proceeding once those budgets have been identified.

7.2.3 Strategic Procurement

CSO 10.02.1 b) permits Cabinet to vary a contract and under CSO 16.02 the Leader may allocate such a decision to the Cabinet Member having the relevant portfolio responsibility.

The variation is subject to the provisions of CSO 3.01, responsibilities, and the Public Contract Regulations in particular Regulation 72(1)(c) of the Public Contract Regulations

Strategic Procurement support the recommendations in section 3 of this report.

7.2.4 Legal / Head of Legal and Governance (Monitoring Officer) comments:

7.2.4.1 The Head of Legal and Governance (Monitoring Officer) has been consulted in drafting this report.

7.2.4.2 Pursuant to Contract Standing Order 10.02.1b) Cabinet has authority to approve the variation referred in the recommendations. Pursuant to Contract Standing Order 16.02 the Leader may allocate any such decision to the Cabinet Member having the relevant portfolio responsibilities.

7.2.4.3 The Head of Legal and Governance (Monitoring Officer) sees no legal reasons preventing the Cabinet Member for Finance and Local Investment from approving the recommendations of this report.

7.2.5 Equality

The council has a Public Sector Equality Duty under the Equality Act (2010) to have due regard to the need to:

- Eliminate discrimination, harassment and victimisation and any other conduct prohibited under the Act.
- Advance equality of opportunity between people who share protected characteristics and people who do not.
- Foster good relations between people who share those characteristics and people who do not.

7.2.5.1 The three parts of the duty apply to the following protected characteristics: age, disability, gender reassignment, pregnancy/maternity, race, religion/faith, sex, and sexual orientation. Marriage and civil partnership status applies to the first part of the duty.

7.2.5.2 Although it is not enforced in legislation as a protected characteristic, Haringey Council treats socioeconomic status as a local protected characteristic.

8 Use of Appendices

8.1 None

9 Local Government (Access to Information) Act 1995

9.1 List of background documents: none.