Tri-Borough Executive Report

Decision maker(s) at each authority and date of Cabinet meeting, Cabinet Member meeting or (in the case of individual Cabinet Member decisions) the earliest date the decision will be taken	Full Cabinet Date of decision: 5 January 2015 Forward Plan reference n/a	*h&f logo (hammersmith & fulham)*
	Cabinet Member for Community Safety, IT and Corporate Services – Cllr Gardner Date of decision: not before xx xx 2014 Forward Plan reference: KDR04401/14/C/AB	*THE ROYAL BOROUGH OF KENSINGTON AND CHELSEA logo*
	Cabinet Member for Finance, Corporate and Customer Services - Cllr Caplan Date of decision: *xx xx* 2014 Forward Plan reference: n/a	*City of Westminster logo*
Report title (decision subject)	**PROCUREMENT OF INFORMATION TECHNOLOGY AND COMMUNICATIONS SERVICES TO SUPPORT IT SHARED SERVICES**	
Reporting officer	Jane West, Executive Director, Finance & Corporate Governance, the London Borough of Hammersmith & Fulham Nicholas Holgate, Chief Executive and Town Clerk, Royal Borough of Kensington and Chelsea Charlie Parker, Chief Executive, Westminster City Council	
Key decision	Yes	
Access to information classification	*Open report:* *A separate report on the exempt part of the Cabinet agenda provides exempt information about costs, savings, existing contracts. TUPE matters and risks.*	
Cabinet Member or senior officer sign-off details	*The LBHF Cabinet Member has approved this report for Cabinet.*	

1. EXECUTIVE SUMMARY

1.1   This report seeks Cabinet approval for the procurement strategy and approach for information technology and communications (voice and data network) services in line with the current IT strategy. This includes data network connectivity and services within and between buildings, and both fixed and mobile telephony services as well as exploiting the full use of unified communications such as video conferencing, instant messaging, staff presence and availability.

1.2   LBHF Cabinet and RBKC and WCC Cabinet Member approval is also sought for £330,000 to fund the procurement process.

1.3   User feedback consistently highlights the need for more integrated technology solutions. This procurement will ultimately resolve issues where ASC and Children's, particularly, have the unnecessary overhead of using three different communications services within their one integrated service.

1.4   This programme will effect cost reduction within IT services leading to savings in frontline services. It will thus act as a key enabler for savings in the delivery of services.

1.5   The authority to award any call-off contract is to be delegated to the appropriate Cabinet Member within each authority. The recommendation is that each call-off from the framework should be reviewed on a case-by-case basis

1.6   The paper recommends that each of the three Councils:

a) Endorse the approach for the procurement of information technology and communication services as set out in section 5;

b) Approve funding of £330,000 to support the procurement process, apportioned equally across each Council (H&F funding of £110,000 will be met from the Efficiency Projects Reserve, the RBKC funding will be met from the Transformation Reserve, and the WCC funding will be met from WCC Reserves);

c) Nominate the Royal Borough of Kensington and Chelsea as the contracting authority for the framework agreement as the authority who will award the framework contract; and,

d) Delegate authority to award any call-off contract to the appropriate Cabinet Member within each authority.

2. RECOMMENDATIONS

2.1 The paper recommends that each of the three Councils:

- Endorse the approach for the procurement of information technology and communication services as set out in section 5;

- Approve funding of £330,000 to support the procurement process, apportioned equally across each Council (H&F funding of £110,000 will be met from the Efficiency Projects Reserve, the RBKC funding will be met from the Transformation Reserve, and the WCC funding will be met from WCC Reserves);

- Nominate the Royal Borough of Kensington and Chelsea as the contracting authority for the framework agreement as the authority who will award the framework contract; and,

- Delegate authority to award any call-off contract to the appropriate Cabinet Member within each authority.

3. REASONS FOR DECISION

3.1 LBHF Cabinet, RBKC and WCC Cabinet Member endorsement of the procurement approach and approval of the proposed funding of £330,000 (£110,000 from each borough) is required from all three boroughs to enable this procurement to proceed.

4. BACKGROUND

4.1 The London Borough of Hammersmith and Fulham, the Royal Borough of Kensington and Chelsea and Westminster City Council share services to improve customer services and deliver savings. All services across the three Councils are today critically dependant on IT to function.

4.2 In 2012/13 the Councils took advice on IT strategy from Gartner who outlined a seven IT tower model of which three towers have already been procured. This was prior to the Councils beginning a successful procurement which culminated in the award of two lots (desktop and data centre service towers) to BT Global Services Ltd. and a third lot (servicedesk and service management tower) to Agilisys Ltd. Through that procurement, the Councils set up a pan-London single supplier framework agreement for each of the three service towers tendered.

4.3 The Councils have now reached the next stage of their IT evolution which sees them seeking to procure the next two service towers, voice and data networks.

4.4 The information technology and communications services procurement board led by the H&F Director of Procurement and IT strategy and with the TTS Bi-borough director of environmental health as senior responsible owner (SRO), is undertaking this procurement process. The team, led by the H&F director of procurement and IT strategy, consists of a programme manager (WCC), the head of business technology (H&F), a procurement category manager (WCC), the chief information officer (Tri-borough), unified communications manager (WCC), the network and telecommunications manager (RBKC), and a group accountant (RBKC).

4.5 Legal advice will be given and contract documentation drawn up by Sharpe Pritchard with the cost of legal advice being equally apportioned across the three Councils. The specification will be approved by the board.

4.6 As part of the process the three Councils have consulted widely with London Public Services Network (LPSN); other local authorities including London boroughs who had carried out similar exercises; central government; procurement experts; industry and technology specialists; the market, through both individual supplier and collective events; and with users i.e. managers and directors of frontline services.

4.7 The Councils have used the lessons learned in crafting the outcome-based specifications for this procurement.

4.8 Lessons included:

- The need to understand technology innovation and specifically allow for increasing use of smartphones and wearable technology in both a corporate environment and service users' homes;
- The requirement to ensure there is enough customer engagement at the design stage;
- The benefits of designing in mechanisms for effective management of the supplier ecosystem;
- the benefits of good data during the procurement and continuity of programme management post-procurement and into the transition phase to the new service provider
- Not to do away with desk phones altogether for fixed workers and contact centre agents; and,
- Benefits realisation from new telephony technology depends on the level of learning by staff of different ways of working, which has to be undertaken as a business change programme.

4.9 In September, an event, "Concept Viability", was commissioned through techUK, the industry-wide IT body. The event was designed to inform feasibility work as part of structured market engagement and help shape and validate plans and requirements. It allows public sector customers to have a two-way dialogue with suppliers and enables carefully designed procurement strategies to be aligned to deliver value for money and better performance.

4.10 The report reached the following conclusions, not necessarily mutually exclusive:

- the IT shared service should adopt a restricted procedure procurement;
- the bundling of services should ensure customer-centricity and be based on pragmatic considerations supporting the outcomes and needs of service users;
- the procurement should contain clear service level agreements (SLAs), key performance indicators (KPIs), outcomes and requirements derived from business use cases in order for services to be seamlessly integrated;
- the Councils should design the procurement in such a way that innovation can be achieved as technology changes;
- the IT shared service should appreciate the size of the challenge of managing the technological and consumer changes effectively; and,
- the Councils further examine the use of existing frameworks, particularly with respect to Application Services.

4.11 Ovum and Gartner, technology-industry experts, advised that telephony and network provision are both commodity items[1]; telephony and networks are tightly coupled and should not be let separately; and there are existing good and tested models for such procurement.

4.12 The three Councils already have a target operating model (TOM) for the ICT service which is being implemented, the design of which was influenced by stakeholder feedback on networks and telephony service configuration. The ICT leadership team completed a service mapping exercise to identify which services were commodity, where economies of scale would have a significant positive impact on cost; or, value adding, where value can be added through internal business insight in development, delivery and management of a product or service.

4.13 In order to produce outcome based specifications, significant consultation with users provided a set of use cases and outcomes which the procurement team is using in shaping the specification of services.

4.14 The corporate procurement teams have investigated existing relevant framework agreements. Their advice was that they do not meet the end-to-end customer service and availability requirement of the business services; and that the cost and effort to manage a complex supplier landscape created by entering into a series of framework agreements would outweigh any cost benefit gained.

4.15 Several key contracts across the three Councils will terminate in the next two years. This paper makes recommendations on the significant decisions about sourcing these services and the procurement process.

4.16 The WCC Next Generation Networks (NGN) framework contract, which RBKC use as well as WCC, finishes in April 2015. The Westminster call-off from this contract ends in April 2016.

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[1] Commodity items are types of widely available products that are not markedly dissimilar from one unit to another.

4.17 This NGN framework is also extensively used across London with considerable demand from other public sector organisations. The London boroughs of Southwark and Hillingdon, North, Central and East London NHS Community Support Trust, the City of London Corporation and the Metropolitan Police Service already take advantage of it. It has an estimated contract value of upwards of £10m. Several other boroughs are in the advanced stages of procuring NGN services.

4.18 The expiry of the major WCC telephony contract with Ericsson takes place in June 2016.

4.19 The entire H&F IT service contract with H&F Bridge Partnership (HFBP), which manages a whole series of supplier contracts including those for voice and data, terminates in October 2016. The contract comprises the following scope of services: technical consultancy and IT strategy; business analysis; procurement; data network and remote access services; voice network and unified communications; asset management; information security; IT change in relation to these services; business continuity; contracts services; applications services; application support definition; internet services; project management services; and, additional commissioned work.

5. ENGAGEMENT

5.1 To help define the procurement approach, the Councils conducted a market engagement process with a range of organisations from across the technology landscape. These suppliers shared their experiences of delivering the outcomes and services the Councils require with a focus on improving collaboration and communication, increasing mobility and flexibility, enhancing productivity while controlling costs and helping IT act as an agent of change to transform citizens' lives.

5.2 In parallel, the Councils engaged with colleagues at other local authorities including London boroughs, London PSN and county Councils, to examine their experience, the pitfalls and leading practices in running procurements for similar services.

5.3 The Councils held a Concept Viability workshop facilitated by techUK, the UK industry body for IT. Around sixty interested companies, ranging from local small to medium sized enterprises (SMEs) to global technology giants, attended. The Councils presented their challenges and thinking. In response, techUK documented the event on the day then collated an industry response which the Councils have used in shaping the procurement.

5.4 The Public Services (Social Value Act) of February 2012, places an obligation on public bodies to consider whether a wider community benefit could be delivered as part of the procurement process. Examples of Social Value in this context include apprenticeships, SMEs working as part of a consortium to deliver services, and building community facilities as part of a wider development.

5.5 The Councils have considered the social value of these contracts. The services the Councils propose to let are primarily commodity services, seen as utilities akin to water and energy services with minimal human intervention required. The scale of these contracts is such that if the management of network services were split into smaller lots then an SME approach would be possible but the resulting service continuity risk (potential critical failure), cost and complexity of managing the supplier ecosystem with limited incentive for supplier co-operation would far outweigh any potential social value benefits gained. The Councils therefore propose to seek the most economically advantageous tender, thus enabling frontline services to be protected.

5.6 The team reviewed the lessons learned from the previous IT Services procurement (desktop, data centres and servicedesk). Through that procurement the Councils set up a pan-London and Essex single supplier framework agreement for each of the three service towers tendered. The frameworks offer standardised commoditised services with economies of scale shared by all authorities signing up. There are options to include bespoke services where necessary.

5.7 Each authority contracts individually through the framework, there are no guaranteed volumes in the contracts and Councils retain the right to cease using the services at any time, subject to notice periods for the service elements procured. This allows the Councils to benefit from commodity pricing with economies of scale, while individually retaining the flexibility to use other sourcing strategies should they offer greater value for money.

5.8 This previous IT services procurement completed on schedule and under budget, and the resultant frameworks are already attracting interest from other London boroughs.

5.9 The NGN framework is also a successful single-supplier framework with take-up across London. This framework contract finishes in April 2015 and therefore this route to market will no longer be available.

5.10 The authorities who have called down from it will have to re-procure over the next few years as their contracts expire and additionally other London boroughs have expressed interest in being able to access a replacement framework, including the London boroughs of Brent and Lambeth. This has led to the recommendation that the Councils let the frameworks on a pan-London basis made available to any organisation offering public services in London.

6. **EXISTING FRAMEWORK ASSESSMENT**

6.1 The existing frameworks were assessed to see if any were suitable for the Councils' purposes. These included the PSN frameworks that are available for a wide range of telephony and data network services. The assessment explored the scope of the various frameworks.

6.2   Although there is an option to award multiple call-off contracts using a combination of frameworks, this would require numerous procurement exercises and would incur substantial overheads. Once those contracts were awarded, the Councils would then have a complex service delivery structure that would require a significant on-going commitment of internal contract and supplier governance effort. The Councils would also be exposed to delivery risks associated with the establishment of resolution responsibility during the occurrence of service problems and incidents. Any value initially enabled by the use of the frameworks could effectively be negated by the high procurement and retained management costs.

6.3   Notwithstanding the above, the primary justification for rejection of the use of existing frameworks is that none of them provide the guaranteed end–to-end service desired, nor would they deliver value for money against the Councils' required outcomes.

6.4   The recommendation is that a restricted procedure is undertaken in the absence of a suitable framework that can provide a comprehensive, end-to-end, enterprise solution for telephony and data networking.

7.   THE PROPOSED PROCUREMENT PROCESS

7.1   The proposed acquisition of the IT delivery model will be subject to the Public Contracts Regulations 2006 (as amended) if the procurement commences before the Public Contracts Regulations 2015 are enacted, possibly January 2015.

7.2   Within H&F, the Critical Friends Review has completed. The findings of the review endorsed the implementation of a single ICT service across the three Councils, and recommended that where shared service opportunities exist, that these services should be more readily available to other potential partners.

7.3   The recommendation is that the Councils follow the restricted procedure for the letting of an outcome-based single-supplier framework agreement. The procurement board will confirm the letting strategy. Each borough will then enter into an individual call-off contract for the services on the framework agreement as and when required.

7.4   Although the restricted procedure does not allow for dialogue with potential suppliers it is relatively quick. The Councils consider this process best because:

- The Councils will achieve the most economically advantageous offer.
- The Councils anticipate there being significant interest in the work therefore they will need to pre-qualify interested companies to manage the numbers;
- The Councils know exactly what they want to procure and can specify it. The competitive dialogue process is used where the contracting authority is not able to define the technical means capable of satisfying its needs

or objectives, or cannot specify either the legal or financial make-up of a project.

- This process will facilitate achievement of the users' key objectives including collaborative working.
- The restricted process can stimulate the market place to offer something new and innovative. It will result in solutions specifically tailored to the requirements of the three boroughs but could be applicable London-wide.
- The development of a framework agreement would enable other London Councils and public bodies to participate in a shared service.
- There will be ample opportunity for clarification during the pre-ITT stage. This approach was used successfully in the previous IT procurement explored above and in others.
- The reduced overheads of the restricted procedure against the cost of a competitive dialogue process can be prohibitive.
- The timescale to complete the restricted procedure will be defined at the outset by the Councils, whereas within a competitive dialogue there is greater scope for delays and extensions to the process. Given the existing contract end dates any delay would increase the risks of transition for the Councils.

7.5   The Councils propose the creation of a managed framework agreement because they can:

- make economies of scale from aggregating demand;
- maintain standard services, approaches and processes and prevent divergence and customisation which would otherwise lead to higher costs;
- choose a single supplier for the framework as best value for money; and,
- offer a more flexible approach for other London Councils through the ability to call-off from the framework, subject to being named in the procurement.

7.6   An outcome-based specification for the IT services is being drawn up.

7.7   The Councils propose a framework agreement with a duration of four years. It is important that at some point the contracts for all three boroughs can co-terminate. The call-off contracts would be on the basis of an initial four years, with options to extend annually for a further three years. Value for money and benchmarking mechanisms would be included within the contracts. There would be no guaranteed volumes in the contracts and Councils retain the right to cease using the services at any time, subject to notice periods for the service elements procured.

8. **TIMELINE**

Milestone	Date
Concept Viability	11 Sept 14
Publish PIN	5 Jan 15
Publish OJEU and PQQ	5 Jan 15
Suppliers day	14 Jan 15
Receive PQQ	6 Feb 15
Shortlist selected	27 Feb 15
Draft ITT released	9 Mar 15
Final ITT released	17 Apr 15
ITT responses received	29 May 15
Post tender clarification and evaluation	June 15
Successful supplier selected	July 15
Cabinet Member approval	July 15
Award contract (Framework/WCC call down)	August 15

9. **PROPOSED TENDER EVALUATION AND INFORMATION**

9.1 An initial assessment of potential providers will take place at the expression of interest stage, using the Councils' capitalEsourcing procurement portal. Tenderers will complete a pre-qualification questionnaire which will be used to assess financial standing, experience, technical capacity and organisation capability.

9.2 The need to balance cost and quality is acute. The criticality of IT across services mandates high quality and reliability across the service. In parallel, the increasing cost pressures across the public sector necessitate a more commercial approach that specifically considers and balances cost and quality.

9.3 The Councils plan to award the contract on the basis of the most economically advantageous tender. This gives the Councils the ability to assess the quality of the proposed services as well as the cost, thereby ensuring the service quality as well as the cost is fit for purpose. Awarding the contract merely to the lowest priced bidder is not considered suitable for a tender of this type as it is inflexible and does not sufficiently take account of quality.

9.4 The restricted procedure will have two stages: a pre-qualification questionnaire (PQQ); followed, by an invitation to tender (ITT).

9.5 The PQQ stage considers two elements: quality of services offered in the submission and financial standing. To evaluate the quality of bid submitted, suppliers will be provided with a set of scenarios and business requirements which describe the services and expected quality of provision that the Councils are seeking. The Councils have an agreed framework for

assessing the financial standing of suppliers and these will be applied at this stage also.

9.6 Evaluation at PQQ stage will be solely on quality with a focus on ensuring that only solutions which are able to fully meet the outcomes set out in the use cases are taken to the ITT stage.

9.7 The evaluation criteria will include compliance with terms and conditions and standards, sustainability (including SMEs and environmentally friendly aspects), partnership working, customer focus, implementation plan, contract management, risk management, data management, service management, technical compliance and technical design.

9.8 The qualitative aspects of a tender will be assessed by applying the following scoring mechanism to the responses received against the previously advertised award criteria:

Score	Performance
5	Outstanding, exceeds expectations, adds value
4	Good, full, robust response; gives confidence
3	Meets minimum standard, acceptable
2	Fails to meet the standard – minor concerns
0	Fails to meet minimum standard – major concerns

9.9 For the execution of the framework each of the three boroughs is represented on the evaluation panel. The panel will include: Tri-Borough CIO; from H&F, the director of procurement and IT strategy, and the head of business technology; from RBKC, network and telecommunications manager and support unit manager; and, from WCC, the CIO and unified communications manager.

9.10 The panel will be supported by the procurement, Finance, Legal and technical team as outlined in section 2.

10. RISK ANALYSIS

10.1 Listed below are several main risks to successful delivery of the programme, along with their mitigation.

10.2 Customer requirements and working preferences can change rapidly as new technology comes onto the market. Business requirements will capture existing requirements and also look at likely future innovations in working preferences. The contract for services will allow the flexibility to innovate and accept changes in technology and working practices. The plan to contract for outcomes means that the Councils will have the services they require regardless of how they are delivered. Embedding collaboration and innovation in the contract as guiding principles will mitigate this risk. Contracting with one single market-leading supplier gives the Councils a

strong collaborative relationship to assure service innovation over time. Continuous improvement will be a stated requirement in the OJEU which will help mitigate the risk of challenge if the specified services need to change during the contract.

10.3   The commercial model will be complex. The model must take account for change in market prices for the commodities which will be procured. If the model ties us to one set of prices for the duration of the contract it is likely that the Councils will pay too much for services towards the end of the term. The model will be developed to allow appropriate review of prices, with the supplier(s) having to demonstrate they have sourced best value prices for services through regular market benchmarking and price review. This will be supported by the client function within the ICT Service which will have responsibility for ensuring performance against agreed outcomes and costs.

10.4   There is a complex ecosystem in place, with differing suppliers providing services. This procurement will add to this. If new and existing service providers do not work well together there is a risk that integration of services will not be optimal, leading to poor service delivery. From the previous IT service procurement where different suppliers were chosen for services there are positive examples of collaborative working. This is in part due to effective clienting from the three Councils, but also a partnership approach across suppliers. The Councils will incentivise partnership working and understanding how suppliers have collaborated and would do so will be assessed through evaluation criteria during the procurement.

10.5   There is a risk that the framework may not be suitable for a shared service which widens in scope and grows, for example with the addition of another local authority. The IT shared service may be unable to call-off appropriate services to match these changing needs. Any framework agreement must be flexible enough to allow for the call-off of appropriate services and ensure that contracts can be co-terminated for new joining local authorities.

10.6   The procurement programme will follow the standard risk management toolkit adopted across all three Councils. Risks will be identified, logged, assessed and mitigating actions developed. Each risk will have an owning officer. The information technology and communications procurement board will regularly review the register of risks to ensure appropriate action is being taken to manage all identified risks. The TTS Bi-borough director of environmental health as senior responsible owner for the procurement will have final responsibility for all programme risks which will also be monitored by the Tri-Borough CIO and escalated into corporate risk management process if required.

11.   LEGAL IMPLICATIONS

11.1   The proposed restricted procedure for competitive tendering setting up a single supplier pan-London framework would be in compliance with the

Council's obligations under the Public Contracts Regulations 2006 (as amended).

11.2 Verified by Babul Mukherjee, Solicitor (Contracts), Legal.

12. PROCUREMENT IMPLICATIONS

12.1 Procurement of the expert support services will need to be carried out in accordance with EU procurement rules and the three Councils' contract standing orders.

12.2 The commercial lead is Andrew Curtois and David Golledge provided procurement support.

12.3 Several project and programme boards have been set up across the three boroughs. Their requirements across and how the resulting contracts will be set up have been discussed at length. This document presents the outcome of these discussions.

12.4 Innovation and achieving value for money are key areas of focus for this procurement. This procurement will create efficiency savings by optimising technology like webcams and unified communications.

12.5 The e-sourcing system used will be capitalEsourcing. The OJEU notice and the full procurement will be run using this system.

12.6 There are no particular EU procurement risks involved in this procurement other than to state that the proposed strategy complies with EU procurement law.

12.7 Verified by Francis Murphy, Head of Procurement.

13. RISK MANAGEMENT IMPLICATIONS

13.1 The report recommendations contribute positively to the management of a number of strategically significant risks as noted on the Tri-borough strategic risk register. These include the risks to managing budgets, market testing, information management, digital continuity and compliance with laws and regulations. IT shared services, business continuity and service delivery will benefit through a more resilient information technology and communications infrastructure and ultimately supporting the needs and expectations of service users through a more efficient and stable information technology and communications.

13.2 Verified by Mike Sloniowski, Bi-Borough Risk Manager.

14. FINANCIAL AND RESOURCES IMPLICATIONS

14.1 Costs will be incurred in letting contracts but in reality many of these costs would have been incurred if the boroughs had continued with single IT functions. The Councils estimate that the procurement will require funding of £330,000. All three Councils would have in any event required procurement funding as existing contracts fall for renewal or new commoditised services were accessed e.g. data networks.

14.2 There will also be a need for transition costs to be funded but these will depend on what services are drawn down from the contracts and when. Each borough will be responsible for its own transition costs. Some of these costs are likely to be funded by existing IT investment budgets in the three boroughs. The transition costs can only be estimated at the point where the new contract is awarded.

14.3 Funding to complete the procurement is required from each Council:

- the H&F share of the cost of the procurement, £110,000, is funded from the Efficiency Projects Reserve.
- the RBKC share of the cost of the procurement, £110,000, is funded from the Transformation Reserve.
- the WCC share of the cost of the procurement, £110,000, is funded from WCC reserves.

14.4 Verified by Andrew Lord, Head of Strategic Planning and Monitoring, Finance.

15. CONSULTATION

15.1 There is no legal requirement to consult with the public.

15.2 Staff may need to be consulted on the development of the new support functions. Where possible, this consultation will be incorporated in the work being led by the Tri-borough CIO on the development of the IT target operating model.

15.3 Where staff are impacted by TUPE, consultations will be held according to the Councils' guidelines.

15.4 Verified by Keeley Cooper, Bi-Borough HR Business Partner and Joanne Meagher, Senior HR and OD Manager.

16. EQUALITY IMPLICATIONS

16.1 This project will involve a reorganisation and re-procurement, and will involve changes to jobs. At this point in time there is no reason to believe the proposals in this report will disproportionately impact any group. It should be noted that it is likely that there will at a later stage be TUPE implications for staff at H&F (including HFBP), RBKC and WCC and their service providers. This will need to be considered as part of the procurement strategy. An Equalities Impact Assessment (EIA) will be done as part of the next stage of the procurement.

16.2 The scale of these contracts is such that if the management of network services were split into smaller lots then an SME approach would be possible but the resulting service continuity risk (potential critical failure), cost and complexity of managing the supplier ecosystem with limited incentive for supplier co-operation would far outweigh any potential social value benefits gained.

16.3 Verified by David Bennett, Head of Change Delivery and Tim Hopkins, Resource and Knowledge Manager.

LOCAL GOVERNMENT ACT 2000
LIST OF BACKGROUND PAPERS USED IN PREPARING THIS REPORT

No.	Description of Background Papers	Name/Ext of holder of file/copy	Department/ Location
1.	None		