

TO: SCHOOLS FORUM
DATE: 13 MARCH 2014

PROVISION OF BROADBAND and RELATED INTERNET SERVICES TO SCHOOLS
Extension of Contract

Director of Children, Young People & Learning

1 PURPOSE OF DECISION

- 1.1 To support a two year extension to the current centrally managed contract for the supply of broadband and related internet services to schools.

2 RECOMMENDATION

- 2.1 **That the option to extend by 2 years the current contract with RM for the provision of Broadband and Internet related services be supported and referred to the EXECUTIVE for approval.**

3 REASONS FOR RECOMMENDATION

- 3.1 To provide the Schools Forum with an opportunity to comment on the proposal to take up the option to extend by 2 years the current broadband and internet contract for schools.

4 ALTERNATIVE OPTIONS CONSIDERED

- 4.1 The current term of the contract ceases on 31st August 2014. There is an option in the current contract to extend for one or two years. The alternative would be to re-tender for the contract or to cease the contract and for each school to make their own arrangements.
- 4.2 All schools were consulted on the above options with 22 schools responding (56%). Of these 20 schools (51%) requested an extension of the existing contract with 2 schools wishing for the LA to explore the option to re-tender under the South East Grid for Learning (SEGfL) framework.

5 SUPPORTING INFORMATION

Background and benefits of the Schools Broadband Network

- 5.1 Bracknell Forest schools benefit from a secure, high speed, high reliability private broadband network that was installed using significant capital funds (£200k) around 2010/11. The fibre optic connections provide well for current educational needs and offer an easy route for future expansion. The network is provided entirely for the benefit of schools – the Council has no connections. All Bracknell Forest Local Authority schools and the Academy currently buy the service through a Service Level Agreement.

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- 5.2 Overall, the Bracknell Forest Schools Broadband network is a significant success. Schools express high levels of satisfaction with the service and connection speeds. Complaints are extremely rare given the number of users and the amount of access.
- 5.3 There are many significant benefits to the current arrangements, some of which are listed below:
- (a) It is an education specific private network rather than being a direct connection to the public internet. This means that security and network traffic can be controlled very effectively and there are no data download or upload limits. This is the type of connection recommended by the DfE in their buying guidance for schools (June 2013).
 - (b) Service broadband provision is over high speed symmetric (same speed for downloading and uploading) 'fibre optic to the premises'. This is significantly superior to domestic and small business connections that are referred to as 'fibre' but which rarely enter the building on fibre optic cable.
 - (c) It is a managed service with full helpdesk provision from the supplier and local escalation routes through the Bracknell Forest 'ICT Helpdesk'.
 - (d) A very effective firewall is in place to maintain system security, e.g. protecting against attempted network intrusions.
 - (e) Internet access is monitored and logged to safeguard pupils and staff and to provide a level of independent protection for Headteachers and Governors in the event of allegations of inappropriate access, etc.
 - (f) Providing the network security and filtering at a higher level reduces significantly the amount of equipment, technical expertise, responsibility and hence cost that is required by individual schools.
 - (g) Connections are filtered for education use and schools can control their own filtering locally. Further developments in filtering technology are being implemented.
 - (h) The system is very reliable and there are service guarantees and payments back to schools if the service goes down for more than a day. It has proved reliability and resilience.

Costs, charges and 'smoothing'

- 5.4 Provision of this type and quality is expensive, although comparisons with other Local Authorities and commercial offerings indicate that the underlying costs of Bracknell Forest connections are competitive for comparable services.
- 5.5 The aggregate level of funds delegated to schools to purchase the service, on the formula previously agreed by the Schools Forum matches the individual charges being made. However, the 'true' costs at individual schools have always been 'smoothed' to enable smaller schools to benefit from high speed fibre optic connections that they would otherwise not be able to afford. The largest primary schools and all mainstream secondary schools pay more than the actual 'true' cost to support this. The aim of this charging policy is to make the network as a whole affordable for the benefit of the education community by schools supporting one another. This has always been a fundamental principle of the Bracknell Forest Schools Broadband network.
- 5.6 The smoothing model has worked up to now, but is also a risk. If large schools opt to purchase broadband elsewhere, the schools broadband network in its current form would not be viable, as it would no longer be possible to subsidise the costs for smaller schools.

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5.7 The costs for the largest secondary schools are currently higher and realistically over time the LA will need to consider a long term policy of gradually moving school charges closer to the 'true' costs. This will result in some schools being asked to pay more and some less than is currently the case.

5.8 The current and proposed contract costs are shown in confidential Annex A

Broadband options for schools

5.9 Although it is hoped that schools will realise the benefits of remaining with the Bracknell Forest Schools Broadband network, it is important to note what other options are available.

5.10 For larger schools, indications are that it would not be possible to purchase a directly comparable service at a particularly significant saving over the anticipated 2014/15 charges. This is partly because schools moving to a new connection would have to pay initial setup/installation charges, which could be significant and wipe out any savings in the short term. It would be possible for the largest schools to make a saving by purchasing a fibre connection with a lower level of service however, but they would also lose some of the benefits of the current shared network.

5.11 Small/medium sized primary schools and smaller secondary schools are unlikely to be able to buy a comparable connection for a lower cost. It would be possible to purchase alternative connection types that are cheaper but this would represent a significant downgrading of connection type. Given that the trend is for higher bandwidth use and increasing use of 'cloud' services, this would not seem to make sense.

5.12 Although the other options would not seem particularly attractive, it is a competitive market with companies appearing to 'cherry pick' schools from networks like ours which are easy to connect and relatively easy to manage. It is therefore important to make sure headteachers, school business managers and governors are provided with up to date information regarding the benefits of the current broadband network.

5.13 Should the two year extension be agreed by School Forum, schools would be offered a two year SLA to cover the contract period. The nature of broadband arrangements means that cancellation payments are due to the telecommunications provider, in this case Virgin Media, if schools terminate their agreements early. Those cancellation fees will have to be passed on to any school that leaves the SLA early.

5.14 Although expressions of interest from schools have been encouraging, the full extent of commitments will be assessed once SLAs have been agreed and the extension arrangement with RM will be adjusted accordingly.

5.15 Should the two year extension be agreed then a new procurement process, using existing EU procurement compliant framework agreements, would commence in 2015 for a new contract to start September 2016. During this time detailed discussions would take place with schools in relation to any 'smoothing' of costs and potential sign up to any new contract.

Conclusion and recommendations

5.16 Given that there are many benefits to retaining the Bracknell Forest School Broadband Network, and following a consultation with schools in the borough, it is clear that schools wish to continue to purchase broadband in this way. Similarly, given that Bracknell Forest schools continue to work together as a strong education community, it seems appropriate that a level of smoothing should continue in 2014/15 to protect smaller schools, whilst ensuring that the largest schools do not pay an excessive amount.

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- 5.17 Following discussion at the ICT Advisory Group with headteachers and their representatives the LA has entered into discussions with our current broadband service provider to identify the most cost effective arrangements for 2014/15 and 2015/16. We are also looking at some 'value added' services that the supplier is intending to offer from August 2014. These include a Staff Proxy to enable staff in schools to get unfiltered access to the internet and a transparent proxy to enable use of personal devices should schools wish.
- 5.18 The Forum is recommended to agree the extension of the RM contract for 2 years to 31st August 2016.

6 ADVICE RECEIVED FROM STATUTORY AND OTHER OFFICERS

Borough Solicitor

- 6.1 The Council is receiving legal advice in this matter from Messrs Nabarro LLP. SEGfL has sought written advice from Nabarro LLP, who drew up the original contracts, about the terms of contract extension. They conclude that extending the call-off contract is permissible under the Regulations as this is envisaged in the original Call-Off Contract General Terms and Conditions executed at the same time as the Framework Agreement. They have recommended that a Deed of Variation is agreed with RM Education to extend to August 2016. That Deed has been drafted by Nabarro.

Borough Treasurer

- 6.2 Schools are responsible for financing the cost of broadband and internet service from their delegated funding and as such, there is no significant financial implication on the Council from this report.

Equalities Impact Assessment

- 6.3 There are no equalities issues associated with the extension of the current contract.

Strategic Risk Management Issues

- 6.4 Although there are significant benefits, around the country many specialist education broadband networks like ours are ceasing to exist. This is usually either because Local Authorities are deciding not to provide non-statutory services, or because some schools (typically larger institutions) are opting to purchase services elsewhere. We understand that Reading and RBWM are both likely to cease providing a schools broadband network from April 2014.
- 6.5 The Bracknell Forest Schools Broadband network remains strong currently, but we are at a critical point as we approach the end of the contract initial term on 31 August 2014. Schools will be able to choose to purchase broadband elsewhere, and if this happens to a significant extent, the network will not be viable. If the current network were to cease to exist, almost certainly it would not be possible to re-establish it at a later date.

7 CONSULTATION

Principal Groups Consulted

7,1 ICT Advisory Group
Headteachers

Background Papers

None

Contact for further information

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