



**RECORD OF DECISION TAKEN BY THE EXECUTIVE DIRECTOR OF
FINANCE AND SECTION 151 OFFICER WITH THE CONSENT OF THE
LEADER AND CHAIR OF THE CORPORATE SERVICES AND ECONOMIC
GROWTH OVERVIEW AND SCRUTINY COMMITTEE**

Title: Capital investment for Schools Broadband service improvement

Cabinet Member: Cllr Wearmouth

Decision Being Taken

To pursue award under the Everything ICT Framework agreement to:

- a) enter into a 3-year contract with Comms World for a schools broadband solution at a capital cost of £743,642 and an annual revenue cost of £201,805. Total cost to the council over 5 years of proposal is modelled at £-44k as detailed in the attached business case.
- b) The service will be re-charged by the Council to participating Schools, but the costs to Primary Schools will be "smoothed" to render it affordable to them and provide all schools with a single competitive price regardless of location.
- c) The costs to High Schools will be passed on to them directly by the Council, however they may request they be "smoothed" by the Council to spread their initial setup charges over five years.

This service would enable the Council to provide all participating Schools with a 1GB (Gigabit) connection, over 100 times faster than most Primary Schools receive today, combined with a market leading filtering and safeguarding service and a comprehensive support service.

Key Issues:

- The Council currently provides approximately 105 Primary Schools and 6 High Schools within the Northumberland region with internet connectivity services, as part of its overall offering to Schools. This service is reaching the end of its life.
- Most of the Primary Schools currently receive an extremely slow service, delivered over legacy copper technology. Many schools are receiving sub-10MB services, which is no longer suitable to meet their needs. Department for Education guidance states that Primary Schools should be provided with a minimum of 100MB speeds, delivered over fibre infrastructure¹.
- Schools require a fully filtered and secure connectivity service which provides real-time alerting of activity of concern, to support safeguarding of pupils when online.
- Due to advances in technology, the costs being paid by the Schools for this service is no longer competitive. This has led external providers to approach schools directly with alternative offers, and the schools community built by the Council is starting to fragment, with some schools having already moved to an external provider.
- Many schools, particularly Primary Schools, do not have extensive in-house IT capability, and rely on the Council service to provide such support.
- The Council has the unique opportunity to procure an alternative service, leveraging the size of the Schools community to deliver a service which delivers the required performance, service and value for money which would not be available in the market to individual schools.

Delegated Authority

The Executive Director of Finance and Section 151 Officer has the following general delegation in the Constitution at Part 4 Section 6.1:

6.1 Without prejudice to the generality of the foregoing the Head of Paid Service, Executive Directors and Deputy Section 151 Officer shall have the power: (a) to take all lawful action consistent with overall Council policy to deliver agreed strategy plans and policy within their area of responsibility and

¹ <https://www.gov.uk/guidance/meeting-digital-and-technology-standards-in-schools-and-colleges/broadband-internet-standards-for-schools-and-colleges>

within approved budgets, service plans, contract and financial procedural rules , the general obligation to act in the best interests of Residents and the Council and to achieve value for money. This shall include, but not exhaustively: (b) to incur expenditure on the council's behalf within the sums approved by Council and to procure goods and services consistent with the Council's procurement policies

Sections 8 and 10 of Part 4 state:

8. Areas of Responsibility

8.1 All matters not reserved to the Council, to the Cabinet, or to a Committee for decision are delegated to the appropriate Executive Director as well as the Head of Paid Service, subject to the Conditions and Limitations above and the Contract and Finance Procedure Rules. Each Executive Director as well as the Head of Paid Service in making decisions under this scheme is required to do so within the internal scheme of management for their own department. This will include appropriate monitoring arrangements and dissemination of information both internally and externally to the Council. The areas of responsibility of each Executive Director as well as the Head of Paid Service shall be as follows, and shall include the areas of responsibility of each Officer within their service area or Group.

10. Executive Director of Finance and Section 151 Officer

10.1 The Executive Director of Finance will have service responsibilities for: (a) Financial Services (b) Strategic Finance (c) Procurement (d) ICT (e) Revenues and Benefits

Constitutional Provisions

The Budget and Policy Framework Procedure Rules

4. Urgent decisions outside the budget or policy framework

(1) The Cabinet, a committee of the Cabinet, an individual member of the Cabinet or officers, local area councils or joint arrangements discharging executive functions may take a decision which is contrary to the Council's policy framework or contrary to or not wholly in accordance with the budget approved by full Council if the decision is a matter of urgency.

However, the decision may only be taken:

(a) if it is not practical to convene a quorate meeting of the full Council; and (b) if the chair of a relevant Overview and Scrutiny Committee agrees that the decision is a matter of urgency.

The reasons why it is not practical to convene a quorate meeting of full Council and the chair of the relevant Overview and Scrutiny Committee's consent to the

decision being taken as a matter of urgency must be noted on the record of the decision.

In the absence of the chair of a relevant Overview and Scrutiny Committee the consent of the chair of the Council, and in the absence of both, the vice-chair will be sufficient.

(2) Following the decision, the decision taker will provide a full report to the next available Council meeting explaining the decision, the reasons for it and why the decision was treated as a matter of urgency.

(3) For the avoidance of doubt urgency provisions apply to both revenue and capital expenditure

The Finance and Contracts Procedure Rules

2.3 Limits for Corporate Directors

Corporate Directors have the power to make decisions within the context of the agreed Budget and Policy Framework where the contractually committed expenditure will not exceed £500,000 unless the decision has been the subject of examination under the Council's Business Case and Risk Appraisal Processes [see Appendices 3 and 5] in which case the limit shall be £1,000,000 [These limits shall not apply to Schools - see Article 3.3 and Appendix 7.] Corporate Directors may delegate powers that can be exercised by officers within their service. The Internal Scheme of Management should be approved by the Corporate Director, and should be reviewed annually to ensure that it is up to date and reflects the needs of the particular service.

2.4 Limits for Executive Members and Corporate Directors

Corporate Directors and the relevant Executive Member together have the power to make decisions within the context of the agreed Budget and Policy Framework where the contractually committed expenditure will not exceed £1,000,000 unless the decision has been the subject of examination under the Council's Business Case and Risk Appraisal Processes [see Appendices 3 and 5] in which case the limit shall be £2,000,000 [These limits shall not apply to Schools - see Article 3.3 and Appendix 7].

2.5 Reports to the Executive

A schedule of proposed decisions over these limits shall be presented to the monthly meetings of the Executive although in the case of urgency, the Leader may consent to the decision being taken and then reported to the Executive for information with reasons for the urgency being given.

Background

The Council currently provides approximately 105 Primary Schools and 6 High Schools within the Northumberland region with internet connectivity services, as part of its overall offering to Schools. This internet service is not a standard home/business internet service, as it must also enable granular filtering and alerting of internet usage by individual pupil, staff member or visitor, utilising services approved by the Department for Education.

Schools are not obligated to take these services from the Council and can use any suitably capable provider in the market to do so – in this instance, the Council is effectively in competition with other market providers. However, the Councils view is that schools are “Stronger Together” – by leveraging their combined size and scale, the Council can provide a better service, at a more affordable cost, than the market can supply to schools on an individual basis. Furthermore, when combined with the Councils broader educational support offering, including IT support and curriculum services, the Council are able to provide schools with significant value, particularly to those schools who do not have a dedicated in-house IT function (such as Primary Schools).

The Council were recently awarded funding under the BDUK LFFN (Building Digital UK Local Full Fibre Network) programme to deploy fibre to most Council sites, including most schools. This is being deployed by BT Openreach and is reaching its conclusion. However, although installed, no active service has been procured on this fibre as yet, so it is not currently being used. There are also c.30 schools that have been migrated to Fibre Services under RGC (Rural Gigabit Connectivity) schools' pilot.

A procurement activity was initiated, and the Council released a Request For Proposal (RFP) on 1st April 2022 for a supplier to plan, design, migrate and manage the new solution. This was undertaken via an Education Services Framework, Everything-ICT, to speed up contract terms and conditions and procurement. The evaluation has now been completed, and a telecommunications provider Commsworld has been selected as preferred bidder.

Having reviewed offerings available from the private sector, and also the needs of Schools, it is the Councils belief that there is still a significant benefit in offering services directly to schools, particularly for Primary Schools, who do not usually have dedicated IT staff. By bringing Schools together as a community, the Council can leverage their size and scale to provide enterprise-level services at an affordable cost, something which schools could not procure independently.

Furthermore, the Council can consider alternative funding models across capital and revenue to suit, and modelling costs on to schools in a predictable, uniform manner, ensuring that smaller schools are not disadvantaged, and all schools can benefit.

Therefore, the recommended option is to procure a new service from the market, which meets the needs of the schools at an affordable cost, using the size and scale of the collective community, led by the Council, to do so.

Other Options Considered

Information services and education have considered the following alternative options:

- **Do nothing and allow the market to provide services.** We could choose to no longer provide a schools broadband service and allow schools to seek their own provision individually. This would put schools at a disadvantage, as they would have to negotiate as a single organisation, and services for smaller more rural schools will be unaffordable.
- **Continue with service provided by current supplier.** This was deemed inappropriate given the feedback from schools on the current performance and costs, and, given the likely outcome of Schools leaving the Council and taking services elsewhere, would effectively result in the Council choosing to no longer provide service, as above.

The Budget and Policy Framework

The expenditure set out in this report is not wholly in accordance with the budget approved by Council but is considered as urgent, and so the provisions in section 4 of the Budget and Policy Framework Procedure Rules as set out above do apply. The reasons why it is not practical to convene a meeting of Full Council are that there is insufficient time to comply with the statutory notice period to convene a meeting before the date on which the contracts have to be signed. The Chair of the Corporate Services and Economic Growth overview and Scrutiny Committee has signed the decision below to signify consent to this decision under these rules. This decision will be reported to the next available meeting of Full Council.

The Finance and Contract Procedure Rules

The expenditure set out in this report is above the limits set out in sections 2.3 and 2.4 of the Finance and Contract Procedure Rules as set out above. The expenditure has not been subject of examination under the Council's Business Case and Risk appraisal Processes. As the matter is urgent the Leader has signed the decision below to signify his consent under section 2.5 of these rules. The matter will be reported to the Executive with reasons for the urgency being given.

Urgency

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The matter is considered urgent as the contracts to enable this project to proceed need to be completed urgently to provide services to schools for the next school term starting in September. The long lead times to secure the required hardware and infrastructure would be further delayed by navigating usual procedures and would result in further extensions with current providers and in some cases would result in schools having to secure their own services at a higher cost.

Implications Arising out of the Report

Policy	The recommendations of this report support the education priorities and the vision and values included in the NCC Corporate Plan.
Finance and value for money	The recommendations of this report enable the Council to provide Schools and pupils with a best value service, which they could not procure individually.
Legal	Minimal – procured under Everything-ICT framework.
Procurement	Procurement already engaged and facilitated RFQ
Human Resources	No impact
Property	No impact
Equalities (Impact Assessment attached) Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input checked="" type="checkbox"/>	No impact
Risk Assessment	There is a risk that not enough schools sign up to the service, which could make it financially unviable. Key mitigations are: <ul style="list-style-type: none"> • Based on market testing and discussions with Schools, the Council service represents good value for money, and an easy option for Schools, so they are likely to want to proceed with it. • Contracts will not be signed with the Supplier until after Schools have provided commitment – if not enough schools sign up, it will not proceed.
Crime & Disorder	No Impact
Customer Consideration	Improved service to schools, children and broader service availability to residents.

Carbon reduction	Improved connectivity in communities can support home working and therefore contribute to lower carbon emissions from transport / commuting.
Health and Wellbeing	Supports delivery of home learning and helps address digital inclusion, providing better connectivity across the region.
Wards	All

Background papers:

[Business Case for Investment to improve Schools Broadband Services](#)

Report sign off.

Authors must ensure that relevant officers and members have agreed the content of the report:

	Full name
Monitoring Officer/Legal	Carol Humphries
Executive Director of Finance & S151 Officer	Jan Willis
Relevant Executive Director	Jan Willis
Chief Executive (acting)	Rick O'Farrell
Portfolio Holder(s)	CLlr Wearmouth
Leader of the Council	CLlr Sanderson

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Author and Contact Details

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Report Author

DECISION TAKEN

BY THE EXECUTIVE DIRECTOR OF FINANCE AND SECTION 151 OFFICER WITH THE CONSENT OF THE LEADER AND CHAIR OF THE CORPORATE SERVICES AND ECONOMIC GROWTH OVERVIEW AND SCRUTINY COMMITTEE

Subject: Schools Broadband Services

Consultation: Director of IT Consulted with the Portfolio Holder for Corporate Services, Cllr Wearmouth as well as Cllr Bawn as Chair of the Overview and Scrutiny Committee for Corporate Services and Economic Growth and Cllr Flux as Business Chair

Decision Taken: To enter into a contract with the proposed supplier as set out in the above report in order to secure broadband services for schools.

Councillor Richard Wearmouth
Portfolio Holder and Executive
Member

Date: 15.06.2022



Cllr Glen Sanderson
Leader of The Council

Date: 20.06.2022

Councillor David Bawn
Chair of Corporate Services and Economic
Growth Overview and Scrutiny Committee

Date: 15.06.2022



Jan Willis – S151 Executive Director of
Finance

Date: 15.06.2022

Date:
