



**NFCC**  
National Fire  
Chiefs Council



## Category Strategy Overview ICT

# CATEGORY STATUS OVERVIEW

Key Contacts	Status	RAG
CFO Category Lead: Jamie Courtney	Hardware and Software recommendations in progress on schedule.	Yellow
Category Commercial Lead: Lesley Troke		

## Category Description

The ICT category includes all goods and services identified in the category structure with the four key subcategory areas being **Hardware, Software, Communications and Services**. This strategy takes into consideration the ICT requirements covered by the ESMCP. The ICT category excludes ICT consultancy and training unless as part of ICT solution as these areas are covered by the Professional Services category and Telemetry, Thermal Imagery, and Body Cameras, are covered by the Operational Equipment category

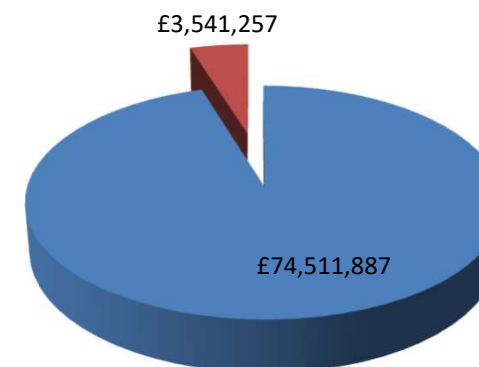
## Key Stakeholders

- CFOA National Procurement Group
- FRS Procurement staff – pivotal to strategy delivery
- ICT Management Group – technical expertise to ensure fit for purpose solutions
- Professional Buying Organisations – resource and expertise
- Suppliers – expertise and participation
- Police - collaborative opportunities for aggregation
- ESMCP – provide information of programme activity and input into strategy development

## ICT Category- £74.5m pa

Communications	Services	Software	Hardware
<ul style="list-style-type: none"> <li>• £21.5M</li> <li>• Key Suppliers (£12.3M – 16%)</li> <li>• 2 Key Frameworks:- RM1045, Consortium radios</li> </ul>	<ul style="list-style-type: none"> <li>• £21.3M</li> <li>• 6 Key Suppliers (£6.7M – 9%)</li> <li>• 7 Key Frameworks:- RM1045, RM1043iv, RM1557ix, RM3764ii, RM1069, RM1085, RM1032</li> </ul>	<ul style="list-style-type: none"> <li>• £17.2M</li> <li>• 6 Key Suppliers (£8.1m – 11%)</li> <li>• 4 Key Frameworks:- RM1059, RM1042, RM1032, RM3733</li> </ul>	<ul style="list-style-type: none"> <li>• £10.8M</li> <li>• 2 Key Suppliers (£600k – 1%)</li> <li>• 3 Key Frameworks:- RM1069, RM3733, Pagabo Infrastructure Hardware</li> </ul>

## Savings Target



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# STRATEGIC OBJECTIVES

The implementation of this category strategy intends to:

- Standardise FRS requirements by identifying requirements which are suitable for standardisation across FRS and develop with the Subject Matter Experts standard specifications for low medium and high technical requirements allowing flexible application of the varied FRS ICT estate.
- Aggregate FRS demand through a high level national FRS procurement pipeline plan that documents potential opportunities for aggregation based on existing contract start and finish dates, scheduled tendering exercises and future, large-scale procurement opportunities.
- Adopt Strategic Supplier Management to maximise opportunities to exploit life time benefits and manage commercial risks through focussed centralised efforts in managing FRS key supplier relationships and contracts.

In striving to achieve these objectives, the strategy will also seek to consider its impact on

- FRS resources required to deliver
- FRS acceptance of standardisation
- Individual FRS Supplier relationships
- Emergency Services Communication Programme.



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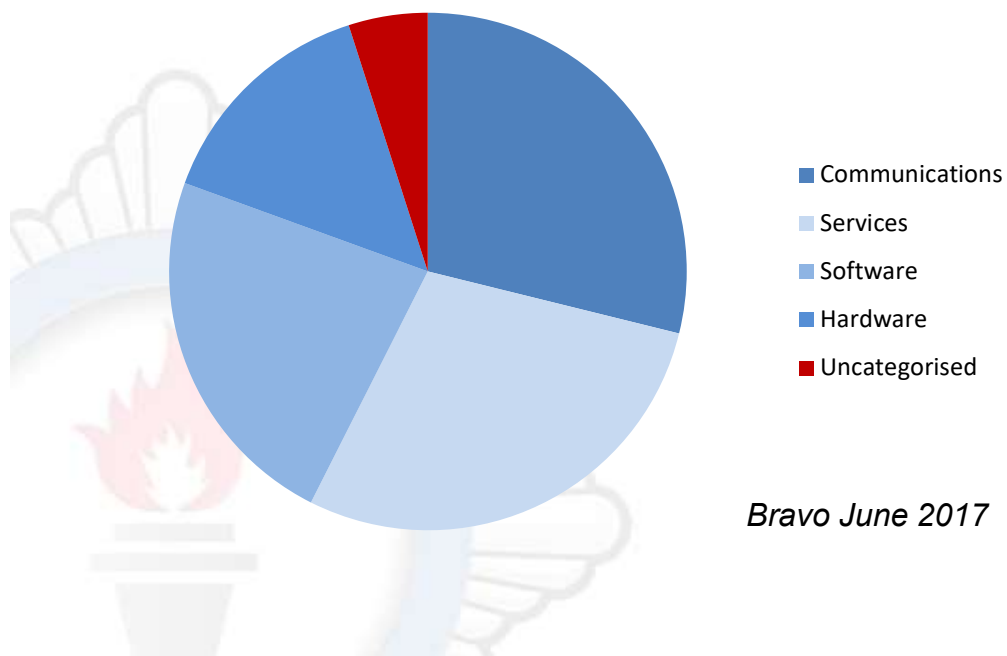
# SUBCATEGORY SPEND

Sub-Category	FY 15/16 Bravo Expenditure	% of Expenditure
Communications	£21,491,623	28.8
Services	£21,322,035	28.6
Software	£17,203,069	23.1
Hardware	£10,808,416	14.5
Unattributed	£3,686,744	4.9

Top 10 SUPPLIERS	BRAVO Spend FY 15/16 (£)
CAPITA PLC	5,728,947
BT (British Telecomms)	5,040,720
Telent Technology Services Ltd	3,622,788
Airwave Solutions Ltd	2,404,021
Virgin Media	2,281,264
Insight Direct (UK) Ltd	1,862,574
Phoenix Software Ltd	1,832,456
Vodafone Ltd	1,747,336
System SA	1,677,554
Civica UK Ltd	1,601,710

*Bravo June 2017*

**14.68% of FRS Spend**



*Bravo June 2017*



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# CURRENT PROJECTS

Sub Category	Project Title	Description	Value	Timescales	Potential Benefits (Savings & Efficiencies)	Potential Challenges
Hardware	MDT	Aggregate MDT requirement for 9 (possibly 11) FRS via CCS Technology Products 2 Framework – led by Dorset & Wiltshire	£1.7M	July+ 2017	£85K Reduced Total cost of acquisition	Technology Obsolescence when ESN goes live
Software	VMware	Aggregate MDT requirement for 9 (27) FRS via Police ICT – led by London	£500K	Mar-Sept 2017	£25K Reduced Total cost of acquisition Police collaboration/aggregation	Complex contractual arrangements, financing centralised, sharing benefits



# FUTURE/PRIORITY PROJECTS

Sub Category	Project Title	Description	Value	Timescales	Potential Benefits (Savings & Efficiencies)	Potential Challenges
Hardware	End User Computing	Collaborative Standardisation of FRS' EUC needs and aggregation of procurement activity	£1.7M (9)	Apr-18	<ul style="list-style-type: none"> <li>Reduced Total cost of acquisition</li> <li>Increase Buying power</li> </ul>	<ul style="list-style-type: none"> <li>Agree Standardised Spec</li> <li>Secure FRS Commitment &amp; approval</li> </ul>
Comms	Telecomms	Collaborative procurement of mobile telephony renewals	£1.1M (17)	Jun-18	<ul style="list-style-type: none"> <li>Reduced Total cost of acquisition</li> <li>Increase Buying power</li> </ul>	<ul style="list-style-type: none"> <li>Secure FRS Commitment &amp; approval</li> </ul>
Comms	Telecomms	Collaborative procurement of FRS' Desk Telecoms needs	£1.4M (22)	Apr-19	<ul style="list-style-type: none"> <li>Reduced Total cost of acquisition</li> <li>Increase Buying power</li> </ul>	<ul style="list-style-type: none"> <li>Secure FRS Commitment &amp; approval</li> </ul>
Software	COTS & Customised and Bespoke	Strategic Supplier Relationship Management for Services relating to Software FRS Software	£1.6M (32)	Mar-20	<ul style="list-style-type: none"> <li>Reduced Total cost of acquisition</li> <li>Increase Buying power</li> <li>Benchmark VfM</li> </ul>	<ul style="list-style-type: none"> <li>Secure FRS Commitment &amp; approval</li> </ul>
Services	Managed	Collaborative Standardisation of FRS' Managed Print Services (MPS) needs and aggregation of procurement activity	£1.45M (20)	Feb-19	<ul style="list-style-type: none"> <li>Reduced Total cost of acquisition</li> <li>Increase Buying power</li> </ul>	<ul style="list-style-type: none"> <li>Agree Standardised Spec</li> <li>Secure FRS Commitment &amp; approval</li> </ul>



# RISKS & OPPORTUNITIES

## *Risks:*

- × *Procurement complexity:*
  - Complex globalised fast paced market – fluctuations, supply chain risks - CSR
  - Risks of 'lock in' to solutions and suppliers - switching costs/risks
  - Interoperability
  - Communications market dominated by a few suppliers
  - Hardware market has multiple suppliers
  - Software and Services markets have switching complexity
  - Low Buying power of FRS
- × *FRS Complexity*
  - Limited ability to standardise - products/services dependency, 'lock in' and risk profiles (cyber threats)
  - Lack of resources to deliver commercial activity - lack of engagement/understanding
  - Lack of innovation - alliance to preferred branded products/services/suppliers
  - Market power - Technology life cycles and rates of change
  - Unrealistic goals - data integrity quality accessibility, interdependencies, governance

## *Opportunities:*

- ✓ Technological Advances
- ✓ Availability of frameworks and substitutes e.g. Virtualisation –reduced depreciation and lock in
- ✓ Growth of IT based services, in particular cloud services or remote access
- ✓ Availability of frameworks– use of PBO frameworks
- ✓ Economies of scales through aggregation within sector, Police and wider Emergency Services/OGDs
- ✓ Rationalise supplier base to manageable quantity to effectively manage supply chain risks



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# SAVINGS TARGET

Category	Annual Expenditure (£m)	Savings Opportunity (%)	Savings Opportunity (£)
Communications	£21.5k	5%	£1.1M
Services	£21.3K	5%	£1.1M
Software	£17.2K	5%	£860K
Hardware	£10.8K	5%	£540K
ICT CATEGORY	£70.8K	5%	£3.6M

## Benchmarking & Data Summary

- A cautious approach has been taken to establishing savings opportunities. The actual savings may exceed the figures stated above; the basket of goods exercise showed 60-80% difference between the lowest and highest paid for laptops, desktops and monitors however this was not a like for like comparison and therefore has not be used to benchmark savings and whilst the Police have achieved savings of between up 22% on aggregate procurements it is recognised that FRS do not yield the same buying power which highlights the benefits of wider collaboration.
- A baseline against which savings can be measured will need to be established for each procurement activity and reported against to ensure that the savings are measured against the actual benefits rather than perceived.
- Consideration of the total cost of acquisition will also need to be monitored to ensure that the full collaborative benefits are realised.
- For all procurement evaluations there will be due consideration for Whole life Costing of the solution to ensure longevity of any value for money are balanced against the technical quality needs.

