

Network Services 2 (RM3808)

Buyers Guidance to Writing a Statement
of Requirements

About this Guide

The purpose of this document is to provide you with guidance on points to consider when producing a Statement of Requirements (SoR) to provide the Suppliers on the framework a clear understanding of your requirements.

There are many possible drivers for re-procuring your telecoms and network connectivity. Call-Off Contracts may have expired, your business requirements may be changing, you may be reorganising or relocating, or wishing to take advantage of falling prices or technological developments.

This document looks at the general issues and options that Buyers should consider and explores the various transitional activities that need to take place, particularly when changing service providers, to ensure that the new services are embedded smoothly.

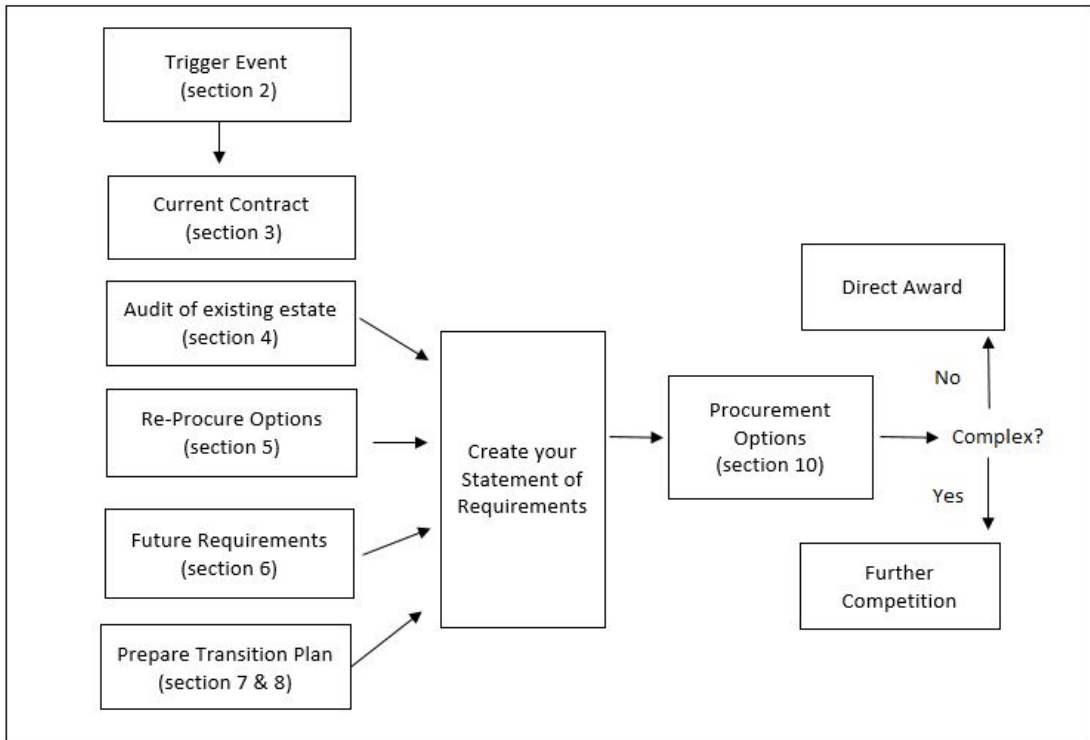
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1.

Decision Flowchart

The below flowchart may help with some of the steps to consider, further detail on each step will follow, as well as in the direct award and further competition guidances.



2.

Trigger Points

Several factors could trigger the need to re-procure connectivity services, some are listed below:

- Contract expiry, existing connectivity services expired or approaching expiry;
- End of the Initial Term, although extension may be permissible, continuing prices from incumbent suppliers might be substantially higher than obtainable through competition (as connectivity prices tend to fall over time);
- Contract is into roll-over – as above;
- Relocation, new premises, reorganisation/restructuring;
- New applications, changing application requirements;
- Increasing usage and bandwidth demand;
- Changing working practices (e.g. Cloud) resulting in more network traffic.

The above factors, taken together with the organisation's current state (covered in section 3) will contribute to the detailed Statement of Requirements in the Invitation to Tender (ITT).

3.

Contracts

The contractual states of all Services to be replaced are of primary relevance to transition. The Contracts need to be examined to establish whether Services are still in their Initial Term and therefore subject to early termination charges if ceased, the magnitude of the early termination charges if they are still within Initial Term, and whether they contain any specific exit provisions that may assist with the transition process.

Initial Term: Once contracts have completed their Initial Term, they may be into optional additional extension period. Once the Initial Term has expired you are no longer contract-bound and therefore might be missing an opportunity to either re-compete the requirement to achieve lower prices and/or superior offerings. Extension options are only applicable if they were requested on the original Order Form.

Early termination charges: Even if the Services have not reached the end of their Initial Term, then depending on the remaining term, if early termination charges are low, better value may be obtained by ceasing services before contract expiry in favour of cheaper and/or superior ones.

Exit provisions: Examine the existing contracts to establish whether they contain any exit provisions, for example, to assist early termination or allow provide for novation of circuits

4.

Audit of Current Estate

Before commencing any market engagement in a transition project, you must fully understand what you have now.

The existing estate must be fully characterised and documented to enable any bidding Supplier to understand the nature of the services to be transferred, their attributes, locations, ownership and contractual details, and therefore be able to provide a valuable and relevant bid. Any uncertainty in your requirement will result in a sub-optimal bid and is likely to significantly increase the number of clarification questions.

If the bidding Supplier will be required to own, operate or interface with any existing assets, then these must be identified, together with details of functionality, ownership or lease, software and firmware states, and any licence issues.

Dependant on your requirements you may need to inform bidding Suppliers of details of the incumbent Suppliers.

Service attributes that you will need to define as part of your SoR include but not limited to;

- locations, postcodes;
- bandwidth, resilience, technology, security;
- business criticality and impact;
- numbering schemes (inbound, outbound, special);
- architecture (current network diagram);
- agreed Service Time (during which maintenance cover is provided and availability is measured);
- service levels (availability, quality, response and fix times, coverage); and
- usage, utilisation, peak characteristics (day, week, year – per site where available)

Some of this information may be available in your contract, through your existing Supplier, from bills and management information etc.

5.

Re-Procure Options

Cease & Provide: If the winning bidder is not the incumbent, the new Supplier may need to install a new physical connection, if this is required, the existing service is terminated and the new service commissioned as soon as possible.

The complexity of new provision will depend on a variety of factors such as access to premises, distance from the Suppliers nearest network access point, local topology, and whether the new Supplier has access to existing infrastructure such as duct space. The effect of any disruption from this process on applications that require continuous connectivity or availability will need to be evaluated.

Dual Running (provide and then cease): This is similar to Cease & Provide but in this case the outgoing service is not ceased until the new service has been fully commissioned and tested with all relevant applications. This will entail parallel running during the handover period to ensure seamless transfer with minimal outage (coordinated with users to ensure acceptability for their business requirements), for business continuity and criticality. The new and incumbent Suppliers must work together for a seamless transition.

The decision on which procedure to adopt will need to be made by your organisation and included within your SoR. There are several steps you can take to ensure that bidders have all the necessary information to hand:

- Provide as much detail as you can of the existing services to be replaced, including current supplier, accurate location details and technical attributes.
- Document your requirements for transition in the SoR, particularly seamlessness and business continuity and test responses as part of the evaluation process.

The new Supplier will be committed to providing a standard Business Continuity and Disaster Recovery (BCDR) plan, in accordance with Call-Off Schedule 8 (Business Continuity and Disaster Recovery), to ensure that the new services are implemented in accordance with your BCDR requirements. If you are conducting a Further Competition, more optional BCDR provisions can be considered within the Schedule

6.

Future Service Requirements

Service requirements should become evident from the evidence collected above, together with appropriate input from user departments regarding their future business requirements;

Network management: the new services will be the responsibility of the new Supplier, and will have been detailed (as requested by the Buyer) in the Suppliers tender. The level of management will depend on whether a managed or unmanaged service is being provided, and may include but not limited to;

- Configuration management;
- Software and firmware upgrades (for routers, switches etc);
- Proactive fault management (trap, ping, poll – to establish incipient failures);
- Network monitoring – map;
- Reactive fault management – response to faults or notifications from users;
- Utilisation monitoring.

For example consider the impacts below;

Bandwidth: Should it be increased? What traffic / applications will lead to increased bandwidth requirement? The trend for bandwidth requirement is ever upwards, driven by applications with increasingly rich content such as high-definition pictures, diagrams and videos.

Users and departments will need to be consulted on the types of application they are considering and their likely usage and content.

Resilience: What level of resilience is required? What is the impact to the organisation of losing a connection? Do the applications need total resilience with automatic failover so that full bandwidth is still available if the primary connection fails?; or will a lower bandwidth backup circuit suffice, perhaps Broadband, at considerably less cost?

Security: What security is required? We advise you to review the Call-Off Schedule 9 (Security). Although this is not an optional Schedule there are two parts available depending on whether there is a high risk to personal or sensitive data.

Service Levels: What Service Levels are required for quality, availability and delivery?

You should consider together with your users, taking into account application requirements, whether existing service levels are still appropriate and cost-effective for the new services, perhaps revising requirements in the light of historical analysis. Service Level requirements will need to be included in your SoR.

The Network Services framework agreement includes minimum Service Levels in Call-Off Schedule 14 (Service Levels). Buyers should determine, dependent on route to market whether these are appropriate for their needs, or whether requirements could be relaxed in favour of possible lower pricing, or increased for more stringent application requirements. Depending on your procurement route Service Levels can be amended.

You will need to ensure that higher level management systems are updated to incorporate the changed infrastructure and reflect any changed practices, also ensuring that your management systems and their access provisions continue to comply with your organisation's security and authentication requirements.

7.

Implementation (Transition) Plan

To ensure a successful implementation, it is important that the Buyer prepares an implementation/transition plan, which can be incorporated into the Statement of Requirements in conjunction with the incoming Supplier.

The implementation/transition plan should address, as a minimum:

- background and scope of the project;
- timescales;
- resource plan;
- responsibilities;
- controls and reporting procedures;
- relationship to any other projects;
- risk register identifying potential risks, their impact, mitigation and contingencies, with particular emphasis on how to minimise operational risk;
- an Impact Statement describing the impact of this transition on departments, operations, users, applications, support services and other projects (including transition of other services that may or may not be dependent on this project, infrastructure enhancements, building works or moves, organisational changes).



see Call-Off Schedule 13 (Implementation Plan and Testing) for Supplier processes if a Further Competition has been undertaken

8.

Testing

If you are conducting a Further Competition, refer to Part B of Call-Off Schedule 13 (Implementation Plan and Testing)

Integration: If the new service is being installed alongside existing infrastructure, then you will need to ensure that the new Supplier integrates and tests the new services in conjunction with the existing infrastructure to ensure a successful implementation.

You will need to plan for integration testing of applications to ensure that all user applications continue to operate satisfactorily over the new infrastructure. This will be particularly important, and need careful user attention and acceptance criteria, if changes of technology or deployment are involved.

9.

Timescale

The implementation/transition period could be quite short if replacing commodity items such as broadband links or mobile phone services, although implementation/ transition of complex service contracts could easily take 12-24 months even if everything goes smoothly. Factors that increase implementation/transition time included but not limited to:

- requirement complexity;
- application infrastructure interdependency;
- the degree of interdependency with the rest of the IT estate;
- inflexible contracts with existing Suppliers;
- changes to service boundaries; and
- asset transfers from existing Supplier(s).

Before embarking on an implementation/transition programme, it is essential to document the requirements in a suitably detailed form to allow the procurement to proceed. The timescale for this will depend in part on the complexity of the requirements, particularly the length of time it takes to collect and collate data on the existing service and if/how this is expected to be different in the future.

Also consider how (and whether) to phase procurement/transition with other business services, and with other user departments and/or organisations, to maximise opportunities for benefits of aggregation.

Procurement time, most likely through a further competition, will depend on the complexity of the requirements and whether a two stage process is applied. You will need to ensure cooperation between the outgoing and incoming suppliers to ensure a smooth implementation/ transition.

Training Support: Implementation/Transition planning needs to allow for re-training of support staff to understand and support the new services, particularly where changes of technology, equipment or deployment are involved.

10.

Procurement Options

Once you have investigated and established your current estate and understand the exit requirements of your current contract, there are two procurement options you can take;

Direct Award - A catalogue based portal offering Service Offers. Direct award should be used when you have a clear understanding of the services you require and does not involve a complex requirement.



See The Buyers Guidance to Direct Award document

Further Competition - This procurement route should be used when your requirements are complex, high value and covers multiple Lots on the framework.



See The Buyers Guidance to Further Competition and the Statement of Requirement template available within the Documents folder of the RM3808 webpage.