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Award

ESMCP - Mobile Services Agreement for the Emergency Services Network

The Secretary of State for the Home Department

F15: Voluntary ex ante transparency notice

Notice identifier: 2024/S 000-024046

Procurement identifier (OCID): ocds-h6vhtk-04868e

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Section I: Contracting authority/entity

I.1) Name and addresses

The Secretary of State for the Home Department

Emergency Services Mobile Communications Programme (ESMCP), 3rd Floor, Clive House, 70 Petty France

London

SW1H 9EX

Contact

ESMCP Commercial Team

Email

ESMCPSupplier@homeoffice.gov.uk

Country

United Kingdom

Region code

UK - United Kingdom

Internet address(es)

Main address

<https://www.gov.uk/government/organisations/home-office>

Buyer's address

<https://www.gov.uk/government/organisations/home-office>

I.4) Type of the contracting authority

Ministry or any other national or federal authority

I.5) Main activity

Public order and safety

Section II: Object

II.1) Scope of the procurement

II.1.1) Title

ESMCP - Mobile Services Agreement for the Emergency Services Network

Reference number

C18119

II.1.2) Main CPV code

- 64200000 - Telecommunications services

II.1.3) Type of contract

Services

II.1.4) Short description

On 8 December 2015 the Secretary of State for the Home Department (the "Authority") and EE Ltd ("EE") entered into a contract for the development and provision of a 4G network, as part of the Home Office's emergency services network ("ESN") project (the "Original Lot 3 Agreement"). ESN is to be used by the emergency services and other organisations that have a requirement for a public safety communications solution ("PSCS"). The Original Lot 3 Agreement is due to expire on 31 December 2024. The Authority intends to enter into a new contract (the "Mobile Services Agreement") jointly with EE and British Telecommunications Plc ("BT") (together "the MS Suppliers" and both wholly owned by BT Group Plc), subject to the terms of the Mobile Services Agreement being agreed and terminate the Original Lot 3 Agreement early. The Term of the succeeding Mobile Services Agreement will be for a period of 7.25 years (plus one year optional extension) from execution date, which is currently anticipated to be during Q4 2024. The Agreement may also be subject to a termination assistance services (TAS) period where /if required. The detail in this VEAT notice reflects the key commercial principles of the Mobile Services Agreement as agreed between the parties; further detail on scope is set out at II.2.4 below.

II.1.6) Information about lots

This contract is divided into lots: No

II.1.7) Total value of the procurement (excluding VAT)

Value excluding VAT: £1,850,000,000

II.2) Description

II.2.2) Additional CPV code(s)

- 32000000 - Radio, television, communication, telecommunication and related equipment
- 32523000 - Telecommunications facilities
- 32524000 - Telecommunications system
- 45232332 - Ancillary works for telecommunications
- 45314000 - Installation of telecommunications equipment
- 48200000 - Networking, Internet and intranet software package
- 50312300 - Maintenance and repair of data network equipment
- 50312600 - Maintenance and repair of information technology equipment
- 50312610 - Maintenance of information technology equipment
- 50324200 - Preventive maintenance services
- 50330000 - Maintenance services of telecommunications equipment
- 50334400 - Communications system maintenance services
- 51000000 - Installation services (except software)
- 64212000 - Mobile-telephone services
- 64212100 - Short Message Service (SMS) services
- 64225000 - Air-to-ground telecommunications services
- 64227000 - Integrated telecommunications services
- 64228100 - Television broadcast transmission services
- 72000000 - IT services: consulting, software development, Internet and support
- 72253000 - Helpdesk and support services
- 72253200 - Systems support services
- 72315000 - Data network management and support services

- 72318000 - Data transmission services
- 72322000 - Data management services
- 72514000 - Computer facilities management services
- 72514100 - Facilities management services involving computer operation
- 72514200 - Facilities management services for computer systems development
- 72514300 - Facilities management services for computer systems maintenance
- 98110000 - Services furnished by business, professional and specialist organisations

II.2.3) Place of performance

NUTS codes

- UK - United Kingdom

II.2.4) Description of the procurement

The main services to be provided by the MS Suppliers shall include the services specified in the Original Lot 3 Agreement with certain modifications which are designed to optimise the delivery and performance of the ESN, based on experience gained during the Original Lot 3 Agreement. Key elements of the Mobile Services Agreement include:

- The provision of the network coverage element of the ESN programme to support mission critical communications. This also includes services associated with ESN User Organisations (“UOs”) being able to utilise the MS Suppliers’ commercial radio access network (4G with an evolution path to 5G Stand Alone) but with a dedicated core network for ESN. The Mobile Services also include services to support the provision of coverage in the Extended Area, Air to Ground coverage (providing coverage to ten thousand feet), marine coverage to twelve nautical miles offshore, the London Underground and other specific locations including specified road and rail tunnels and rail stations, and the provision of mobile network coverage capable of supporting the critical PSCS services required by the 3 Emergency Services (“3ES”);
- The provision of specific technical interfaces to enable connectivity to the ESN network,
- The management of availability and capacity across the ESN network,
- The provision of support services as required to optimise the network for PSCS usage,
- The provision of deployment and testing services in order to test services (incl. the testing of ESN devices). Building on the success of rolling out coverage in remote areas of Great Britain during the Original Lot 3 Agreement, the Mobile Services Agreement

moves on to focus on the provision of operationally acceptable coverage and how the network will be reported on and visualised in-life when the UOs have transitioned off the incumbent Airwave network. The services shall also include:

- The ongoing protection of coverage scope and the provision of in-fill coverage at key critical operational locations such as high footfall locations (stadia, shopping centres, travel hubs), hospitals, police stations, fire stations and critical national infrastructure locations, where appropriate using infrastructure that is or can be shared by other MNOs, as well as a process for remedying coverage gaps in areas of high risk for UOs.
- Further deployment of network power resilience to mitigate national and local power outages to ensure that UOs can continue to operate safely and effectively if and when such events occur.
- A more streamlined and optimised approach for service acceptance and in-life management. In recent years the telecoms industry has seen significant improvements in network tooling. The Mobile Services solution aims to take advantage of these tools to ensure that savings are realised without the need to carry out regular mass network testing to ensure coverage is being provided.

In addition, the Mobile Services Agreement will:

- Be updated to include Social Value responsibilities and certain changes to bring it in line with Model Services v2.0 that have been brought into Law / policy since the Original Lot 3 Agreement was signed
- Alter the commercial model to better reflect alignment with the services being delivered and the timing of payments
- Incorporate mechanisms to address the introduction of a new User Services supplier following the outcome of a parallel ESN Programme procurement
- Include more granular regional KPIs to improve the management of the services
- Update the requirements in relation to collaboration across suppliers, insurance and liability levels and also settles several outstanding areas of dispute.

The value of the procurement noted at II.1.7 above is up to £1,850,000,000. This is made up of:

- The contract price;
- The optional one-year extension to the term (there is no commitment to enact the extension, but it is being included for clarity and transparency);

- Indexation;
- Circa £215m of anticipated spend includes potential additional macro and operational location site builds;
- Potential re-baselining costs associated with engaging a new User Services Provider, anticipated within the first year of the Agreement;
- Potential downstream charges for Tariffs;
- Foreseen contract variations to align with future coverage location analysis and other ESN supplier activities;
- Less certain spend includes all further items detailed within the optional services catalogue (for additional specific services which the Authority and UOs require and have the option to purchase);
- The Sourcing of a coverage extender deployable by Users to enhance coverage to support operational incidents.

II.2.11) Information about options

Options: Yes

Description of options

1-year optional extension period

II.2.13) Information about European Union Funds

The procurement is related to a project and/or programme financed by European Union funds: No

Section IV. Procedure

IV.1) Description

IV.1.1) Type of procedure

Negotiated without a prior call for competition

- The works, supplies or services can be provided only by a particular economic operator for the following reason:
 - absence of competition for technical reasons

Explanation:

The Authority intends to enter into the Mobile Services Agreement with the MS Suppliers on the basis that regulation 32(2)(b)(ii) of the Public Contracts Regulations 2015 applies, i.e. that only the MS Suppliers can provide the services required because competition is absent for technical reasons. The Authority considers that no reasonable alternative or substitute exists, and the absence of competition is not the result of an artificial narrowing down of the parameters of the procurement. This is for the following reasons:

The Authority requires Users to be fully transitioned to ESN, including a c. 2 year transition period by 2029. This is in order, as soon as possible: to realise the operational advantages of ESN; to reduce costs; to establish a network that can be subject to effective competition; and to take all reasonable steps to comply with recommendations of the Competition and Markets Authority. The MS Suppliers have the assets, expertise and know-how to deliver a dedicated core network and Radio Access Network providing the coverage, resilience and security to meet the Authority's requirements within this timescale and which can deliver priority and pre-emption (as described in greater detail below) on their network, with secure PSCS services and ESN devices, to be fully operational and to enable Users to be fully transitioned onto the ESN by 2029. The Authority considers that another supplier would not be able to meet the Authority's technical requirements within the required timescales. In particular, it will require another network operator to deliver and implement the following:

Development and Implementation of Network Coverage: An alternative supplier would need to build a dedicated ESN core 4G/5GSA network in their data centres. This is because the ESN requires a dedicated core network for its Users. This is necessary to meet the Authority's requirements in respect of availability, resilience and security to ESN services (Mission Critical Push to Talk, data and video), each of which are discussed in greater detail below.

Network Coverage Analysis: Coverage (i.e. the access to a useable signal to use ESN

services) is a fundamental aspect of ESN. Before any coverage installation could occur, an alternative supplier would need to undertake a significant period of coverage assurance with ESN capable devices to identify the coverage gaps in their network, so that reconfigurations could be planned and implemented. From this data, analysis would then need to be performed to determine overlap and gaps with critical operational locations specified by ESN Users. Similarly, further work would be required to attend at major venues to determine coverage within major buildings (e.g. Stadia). Given the size of the road network and the number of buildings involved, this is a vast exercise.

Once this analysis is complete, it is highly likely that it will be necessary for an alternative supplier to install new radio infrastructure, including masts to provide the required coverage. Radio sites can take a significant time to design, acquire, build and test.

Network Resilience and Security: The ESN requires greater resilience than is generally provided by a commercial network. This is to ensure that the mission critical communications are always available. To achieve this, an alternative supplier will need to put in place measures, specific to its own network, which include.

- the installation of generators and batteries to certain sites (the MS Suppliers have currently fitted c. 800), to ensure that there are back up power sources; and
- alternative transmission paths, to ensure that the supplier is not reliant on one source of transmission, such as fibre, and can also use, for example, satellite connections and/or microwave links as backup if the fibre connection fails.

Continued in ADDITIONAL INFORMATION SECTION VI.3 due to word constraints.

IV.1.8) Information about the Government Procurement Agreement (GPA)

The procurement is covered by the Government Procurement Agreement: Yes

Section V. Award of contract/concession

Contract No

C18119

Title

ESMCP - Mobile Services Agreement for the Emergency Services Network

A contract/lot is awarded: Yes

V.2) Award of contract/concession

V.2.1) Date of conclusion of the contract

30 July 2024

V.2.2) Information about tenders

The contract has been awarded to a group of economic operators: Yes

V.2.3) Name and address of the contractor/concessionaire

EE Ltd

1 Braham Street

London

E1 8EE

Country

United Kingdom

NUTS code

- UK - United Kingdom

National registration number

02382161

Internet address

<https://ee.co.uk>

The contractor/concessionaire is an SME

No

V.2.3) Name and address of the contractor/concessionaire

British Telecommunications Plc

1 Braham Street

London

E1 8EE

Country

United Kingdom

NUTS code

- UK - United Kingdom

National registration number

01800000

Internet address

<https://www.bt.com>

The contractor/concessionaire is an SME

No

V.2.4) Information on value of contract/lot/concession (excluding VAT)

Initial estimated total value of the contract/lot/concession: £1,850,000,000

Total value of the contract/lot/concession: £1,850,000,000

V.2.5) Information about subcontracting

The contract/lot/concession is likely to be subcontracted

Value or proportion likely to be subcontracted to third parties

Proportion: 28 %

Short description of the part of the contract to be subcontracted

Short description of the part of the contract to be subcontracted:

Specialist services required to design, build and install specialist coverage solutions, 5G SA implementation, 4G/5G core network integration support, appropriate power resilience solutions, support with the Air to Ground network and specialist services

Continued in ADDITIONAL INFORMATION SECTION VI.3 due to word constraints.

Section VI. Complementary information

VI.3) Additional information

1. Continuation from section V.2.5):

to fix urgent faults at EE network sites and maintenance and support of the ESN dedicated core network.

28.3% of the services will be subcontracted to entities outside of the BT Group. Most of these subcontracted services will be provided through existing contractual relationships with suppliers that the MS Suppliers already use for their commercial network service.

2. Continuation from Annex D.1.3 – Explanation:

Network Resilience and Security: The ESN requires greater resilience than is generally provided by a commercial network. This is to ensure that the mission critical communications are always available. To achieve this, an alternative supplier will need to put in place measures, specific to its own network, which include.

- the installation of generators and batteries to certain sites (the MS Suppliers have currently fitted c. 800), to ensure that there are back up power sources; and
- alternative transmission paths, to ensure that the supplier is not reliant on one source of transmission, such as fibre, and can also use, for example, satellite connections and/or microwave links as backup if the fibre connection fails. This mechanism has been implemented by the MS Suppliers on certain higher risk sites.

The ESN also requires greater security. This applies both to its hardware and from an

operational perspective. On the operational side, the ESN needs to interact, and be integrated, with the supplier's network, but also needs to be ensure that its data, management information and reporting functions are kept separate from the commercial operation.

Priority/ pre-emption: Although ESN has a separate dedicated core system, it operates over the supplier's commercial Radio Access Network. This requires suppliers to configure their network, so that it prioritises ESN traffic over their commercial customers' traffic (priority) and sometimes this will involve excluding some commercial customers from the network altogether (pre-emption).

Priority and pre-emption are particularly important in peak times or crowded areas (such as public spaces at New Year or large venues), as the network has finite capacity.

To achieve an effective and satisfactory level of priority and pre-emption a supplier will be required to carry out a significant amount of network configuration and testing, after it has put in place the ESN dedicated core network - for example at specific venues/ events (such as key annual festivals). As the architecture and coverage of each network is unique, a supplier will be required to carry out its own testing in this respect and cannot rely on the testing and optimisation carried out by the MS Suppliers to date.

Specific functionality/ software: A key requirement of ESN is its 'push to talk' functionality, which will allow ESN Users to use their mobile phones in a similar way to an LMR radio. In GB only the MS Suppliers have designed, implemented and tested the relevant radio bearers to support this mission critical push to talk capability. An alternative supplier would need to develop this capability without any previous implementation experience – as the full scope of this requirement is unique to ESN in GB (note: other countries are adopting similar strategies).

Taking into account all of the above factors, if there is no direct award to the MS Suppliers, there would be a material impact to the ESMCP critical success factor to provide ESN as soon as possible and in alignment with Competition and Markets Authority recommendations.

Due to the above, the Authority considers that, at this time, competition is absent for technical reasons as no other Mobile Network Operator (MNO) or third party other than the Supplier is currently able to or will be in a position to deliver the Authority's requirements for ESN using a 4G LTE network by 2029, which is the target date for shutdown of the incumbent system, Airwave.

VI.4) Procedures for review

VI.4.1) Review body

High Court of Justice

Royal Courts of Justice, Strand

London

WC2A 2LL

Telephone

+44 2079476000

Country

United Kingdom

Internet address

<https://www.judiciary.uk/courts-and-tribunals/high-court/>