



Isle of Man Government

Case Study



Isle of Man Government completes successful procurement to select new 'Connect Mann' managed service contract that will deliver a high performance network with a realisable saving of £2.25 million

The Client:

The Isle of Man has a land area of 221 square miles situated in the heart of the British Isles in the centre of the Irish Sea - 50 km (31 miles) from Ireland and 50 km (31 miles) from the UK. The country is a self-governing dependent territory of the British Crown; it is not part of the United Kingdom but is a member of the British Commonwealth. By long standing convention, the UK Government does not legislate for the Island except with the specific consent of the Island's Government. The Isle of Man Government Agencies consist of Departments and Divisions, Statutory Boards and Offices. There are nine Government Departments, each of which is a separate legal entity with its own functions, powers and responsibilities. The island has a population of over 80,000 people.



The Challenge:

PTS Consulting has been advising on and assisting with the Isle of Man Government's IT and Communications since 1990. In 2004, PTS Consulting assisted with the Government's project JUPITER programme (Joined Up Information for The Electronic Resident) to achieve the implementation of the Connect Mann network - a managed IP network platform, which modernised the delivery of policy, processes and services and generated considerable annual cost savings over a five year period. This project won the 'Best Corporate IP Network' award from IDG Global Solutions and Cisco Systems and also earned the Government a place as a Business Achievement Medallist in the 2006 British Computer Society IT Professional Awards. The existing Connect Mann communications infrastructure consisted of the data, telephony video and mobile networks across the island. When the managed service contract came to the end of its first five year tenure in 2009, it required re-tendering to ensure continued performance, resilience and availability and PTS Consulting was invited back to manage the re-tendering exercise. As the island's infrastructure has grown in size over the past five years to incorporate schools and GP Practices, the number of Government sites has increased from 180 to 237. This meant that the service network structure would need reviewing and revising as necessary to achieve: improved service performance from the suppliers; known fixed monthly costs wherever possible; and, supporting the expansion and development of on-line e-Government services. As it is Government policy to maximise use of local procurement, the Government had to ensure that it was achieving best value.

PTS Consulting was engaged to conduct a service and performance review of the current managed service, to assist in developing the new service requirements and offer independent advice and guidance to develop and realise a procurement strategy for the selection of providers for the new term of the Connect Mann infrastructure services.



The Solution:



Procurement:

The PTS Consultants firstly interviewed all key stakeholders and conducted a service performance review to understand the Government's current and future needs. It was identified that it was also essential to include other infrastructure services which have developed over time and incorporate these within the Connect Mann brand managed service. These services include the world-famous TT's Race Mann circuit timing network, Mobile phones, Wi-Fi and Broadband services.

The Connect Mann service provision was allocated into six packages and tendered as discrete LOTS, open to all interested organisations. The LOTS were, WAN (1), LAN (2), Unified Communications Applications (3) (UCA), Internet (4), Mobile (5) and PSTN (6) Services. This procurement approach would allow consideration of the available solutions individually to ensure that the Government would achieve best value and that the opportunity to bid for Government contracts for all island based companies was maximised.

PTS Consulting developed a multi-layered model to go out to tender which included details of the service components, deliverables, management of deliverables and SLAs. Definitions for each of the six LOTS were also provided by PTS Consulting surrounding the: service requirements schedule; managed service requirements; and the roles and responsibilities of the supplier(s). The procurement was conducted using established best practice and closely followed an OJEU Open tender process. This including expressions of interest, supplier responses and clarification, supplier presentations and evaluation scoring, followed by a set of strategic recommendations by PTS Consulting.

Outcomes:

The WAN, LAN and Unified Communications Applications procurement achieved significant service improvements in both technology and flexibility whilst maintaining current service costs. The entire Government WAN will be enhanced from a large deployment of copper 2 Mbps circuits, fibre 10 mbps and some 100 mbps circuits to an island-wide 1 Gbps fibre service for every site, including schools. Enhancements to the service delivery and provider roles and responsibilities have also been clarified and achieved, leading to reduced ISD management and operational overheads, improved reporting, network monitoring and management arrangements.

The revised Internet service provides an equivalent of the current service with the Government potentially receiving an enhanced service by utilising load balancing across dual resilient connections without additional costs. The new service also has flexibility to incrementally increase bandwidth up to 1 Gbps through small bandwidth increments and a significant annual cost saving of almost 50% compared to the current service.

The Mobile service proposals are based around a fixed monthly charge to the Government with unlimited (subject to fair usage) inclusive calls to Isle of Man and UK mobile and landline and international landline calls. A primary objective for the new service was to remove internal re-charging and deliver the service for known fixed monthly cost



to the Government. The new service proposals will realise up to 45% savings on current charges based on current levels of usage.

The PSTN services has again fixed the costs of Government land line call charges, with an overall reduction in annual costs of around 12% on current charges. Currently, these are billed monthly and then re-charged to individual departments. The new service will also reduce departmental costs and the management overhead associated with cross charging.

The Benefits:

The outcome of the tendering process will deliver significant revenue cost savings to the Government, with improved service performance and flexibility, whilst reducing the internal management overhead needed to support the current arrangements. This will free up resources to focus on constant service improvement and contract management, rather than day to day operational duties and activities. Service savings and improvements have been achieved by ensuring that competition for the services was maximised and the tendering of the services into six LOTS, via an open procurement. The Government has also achieved significant and unique contract positions for the WAN, Mobile and Fixed Line Services (PSTN), summarised as:

- WAN service is not calculated on bandwidth, so no bandwidth incremental charges
- 1 Gbps service to every Government site, including all schools, believed to be a first for any country in the world
- Fixed monthly charges for the mobile service irrespective of usage
- Fixed monthly charges for landline PSTN service irrespective of usage

The Verdict:

Overall, the Isle of Man Government can expect to realise a saving of £2.25 million over the term of the new contract, this is a 14% reduction in costs.

Allan Paterson, Director, Isle of Man Government, Information Systems Division commented: *"I am impressed. The New Connect Mann managed service will deliver a better, faster and significantly more cost effective performance than the existing network. PTS Consulting's guidance and attention to detail throughout the competitive procurement process made sure that rigour and due diligence was applied to achieve the service improvement and simplified internal process management that we had hoped for. We've even managed to achieve what we believe may be a world first: a 1 Gbps network service out to all 237 sites – at no extra cost!"*

About PTS Consulting

PTS Consulting Group PLC (PTS) is one of the world's leading IT consultancies with a reputation for innovation and thought leadership. PTS is also renowned for its project management expertise. As the global leader in IT relocation projects, working with some of the world's largest companies, PTS has earned a world-wide reputation for independence, professionalism and quality of service. Headquartered in the UK and founded in 1983, PTS has worked in more than 70 countries and 250 cities and employs 330 staff in the Americas, EMEA and Asia-Pacific. www.ptsconsulting.com