

To: POLICY AND RESOURCES (FINANCE & CUSTOMER SERVICES) SUB-COMMITTEE		Subject: MOBILE TELEPHONY SERVICES: EXTENSION OF CONTRACT
From: HEAD OF E-GOVERNMENT & SERVICE DEVELOPMENT		
Date: 18 January 2012	Ref: IMCK/ RMCB/PD	

1. **Purpose of the Report**

- 1.1 The purpose of the report is to advise Committee of the proposal to extend the contract for the provision of mobile telephony services.

2. **Background**

- 2.1 North Lanarkshire Council currently has a contract for mobile telephony, provided via a Buying Solutions (formerly OGC) framework agreement, which is due to terminate on 30th June 2012
- 2.2 The current mobile telephony provision is distributed across all council services, with an estate of over 5950 devices, 1000 of which are data enabled, (Blackberry's and tablets/laptops). The contract extension will commence on 1st July 2012 and run until 30th June 2014.
- 2.3 In accordance with the Council's Contract Standing Orders in relation to Buying Solutions (Formerly OGC) contracts, an extension of the existing contract is permissible providing best value can be demonstrated.

3. **Evaluation**

- 3.1 Four companies provide mobile telephony services through Buying Solutions. These are:
- O2;
 - Everything Everywhere (T-Mobile/Orange);
 - Vodafone; and
 - BT
- 3.2 EGASD telecommunications staff commissioned an independent evaluation of the comparative tariffs published within the Buying Solutions framework (RM526/L1 Mobile Solutions - Mobile Voice and Data services) which was carried out by 'Signum International Limited' and was based on our current call pattern and cost matrix. The headline results based on figures from July 2011 are detailed in the list below.

Cost Summary

Supplier	Monthly average cost per user	Estimated annual cost
O2	£5.86	£418,872
Everything Everywhere (T-Mobile)	£5.32	£380,172
Everything Everywhere (Orange)	£5.73	£409,620
Vodafone	£5.67	£405,516
BT	£7.01	£500,904

A spreadsheet outlining the detailed comparison is available if required.


- 3.3 In accordance with contract standing orders a summary of the proposed procurement process is provided at Appendix A.

4 Corporate Considerations

- 4.1 The annual cost of this contract is dependent on the number of mobile telephony devices and their use. However based on current spend the estimated total value over the two years of this contract is approximately £760,000.
- 4.2 Costs will be met from existing Service budgets.

5 Recommendations

- 5.1 It is recommended that the committee:-
- Endorse the use of the national collaborative framework to extend the contract with T-Mobile for a period of 2 years commencing 1st July 2012 until 30th June 2014.



Head of E-Government & Service Development

For further information please contact Irene McKelvey, on tel. ext. 2532

APPENDIX A

NORTH LANARKSHIRE COUNCIL - PROCUREMENT REPORTING

		PART A PROPOSED ARRANGEMENTS	PART B ACTUAL ARRANGEMENTS												
1	Procurement Title	Mobile Telephony Extension of Contract													
2	Description	Drawn from an existing Buying Solutions (formerly OGC) framework													
3	Contract Category	Supply Services Works	<input type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/>												
4	Contract Type	Term Framework Agreement Framework Contract One-off Other	<input type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>												
5	Contract Duration	<input type="text" value="24"/> Months	<input type="text" value="24"/> Months												
6	Contract Start Date	<table border="1"> <tr> <td>DD</td> <td>MM</td> <td>YYYY</td> </tr> <tr> <td>01</td> <td>07</td> <td>2012</td> </tr> </table>	DD	MM	YYYY	01	07	2012	<table border="1"> <tr> <td>DD</td> <td>MM</td> <td>YYYY</td> </tr> <tr> <td>01</td> <td>07</td> <td>2012</td> </tr> </table>	DD	MM	YYYY	01	07	2012
DD	MM	YYYY													
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7	Contract End Date	<table border="1"> <tr> <td>DD</td> <td>MM</td> <td>YYYY</td> </tr> <tr> <td>30</td> <td>06</td> <td>2014</td> </tr> </table>	DD	MM	YYYY	30	06	2014	<table border="1"> <tr> <td>DD</td> <td>MM</td> <td>YYYY</td> </tr> <tr> <td>30</td> <td>06</td> <td>2014</td> </tr> </table>	DD	MM	YYYY	30	06	2014
DD	MM	YYYY													
30	06	2014													
DD	MM	YYYY													
30	06	2014													
8	Contract Extension	<p>Is a provision being included to extend the contract?</p> <p>Yes <input checked="" type="checkbox"/> No <input type="checkbox"/></p> <p>If 'Yes', what is the maximum period of extension being sought?</p> <input type="text" value="24"/> Months	<p>Has a provision been included to extend the contract?</p> <p>Yes <input checked="" type="checkbox"/> No <input type="checkbox"/></p> <p>If 'Yes', what is the maximum period of extension included?</p> <input type="text" value="24"/> Months												
9	Total Value	<input type="text" value="£760,000"/>	<input type="text" value="£760,000"/> Actual <input type="checkbox"/> Estimate <input checked="" type="checkbox"/>												

10	What Procurement Route will be used?	EU <input type="checkbox"/> Non-EU <input checked="" type="checkbox"/>
11	If EU Procurement Route to be used, which procedure will apply?	Open <input type="checkbox"/> Restricted <input type="checkbox"/> Other <input type="checkbox"/> If 'Other' please provide details below:
12	If Non-EU Procurement Route to be used, which procedure will apply?	Open <input type="checkbox"/> Restricted <input type="checkbox"/> Approved List <input type="checkbox"/> Other <input checked="" type="checkbox"/> If 'Other' please provide details below: Buying Solutions (formerly OGC) framework with evaluation of comparative tariffs carried out by Signum International Ltd.
13	What Evaluation Criteria will be used?	Lowest Price <input type="checkbox"/> Most Economically Advantageous <input checked="" type="checkbox"/>
14	Procurement Checklist	Procurement checklist provided to Procurement Manager? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
15	Details of Council Officer responsible for this procurement process	Name <input type="text" value="Phil Dalbeck"/> Telephone <input type="text" value="01698 302649"/>