

NORTH LANARKSHIRE COUNCIL

REPORT

To: POLICY AND RESOURCES (FINANCE & CUSTOMER SERVICES) SUB-COMMITTEE		Subject: MOBILE TELEPHONY SERVICES
From: HEAD OF E-GOVERNMENT & SERVICE DEVELOPMENT		
Date: 25 October 2013	Ref: IMcK/AM	

1 Purpose of the Report

- 1.1 The purpose of this report is to seek Committee approval to award a contract for Mobile Telephony Services.

2 Background

- 2.1 The Council has an existing contract for mobile telephony, provided via the Government Procurement Service (GPS) framework agreement for PSN Services, Mobile Voice and Data (RM1498 – Lot 6), which will expire on 30th June 2014.
- 2.2 The current mobile telephony provision of 6,432 devices is distributed across all Council services. Approximately 1,400 of these devices are data enabled Blackberrys, tablets and laptops.
- 2.3 The recently approved ICT strategy advised that the Council plan to migrate to the Scottish Wide Area Network (SWAN) which will both reduce costs and improve service. SWAN will commence in 2014 with the likelihood that the Council would commence their WAN/LAN migration to SWAN in 2015. This Mobile Telephony Services contract, for a period of 2 years commencing on 1st July 2014 and ending on 30th June 2016, will provide the opportunity to assess the impact of the changing landscape that will arise through SWAN and the opportunities for mobile telephony.

3 Evaluation Process

- 3.1 The terms of the framework agreement for Lot 6 permit the Council to directly award a call-off contract without the need for further competition provided the products and services contained within Supplier catalogues, meet the complete business requirement. The framework terms dictate that the award must be made solely on the basis of price and in accordance with the service levels and the use of the contractual conditions set out in the call-off contract.
- 3.2 There are 6 approved providers delivering mobile telephony services under Lot 6 of the Government Procurement Service (GPS) framework. These are:

Service Provider	Network
Capita Business Systems Ltd	O2
Everything Everywhere	EE/T-Mobile/Orange
Freedom Communications (U.K.) Ltd	Vodafone
KCOM Group PLC	O2/Orange
Telefónica UK Limited	O2
Vodafone Limited	Vodafone

- 3.3 A comparison of each of the service providers published rates within the framework agreement against the Council's current call pattern and cost matrix was undertaken by an evaluation panel and the outcome of this analysis is summarised in the following table:

Service Provider	Monthly Cost	Annual Cost	Total Cost	Ranking
Everything Everywhere (T-Mobile)	£32,928	£395,136	£790,272	1
Telefónica UK Limited (O2)	£35,572	£426,864	£853,728	2
Vodafone Limited (Vodafone)	£37,540	£450,480	£900,960	3
Capita Business Systems Ltd (O2)	£39,735	£476,820	£953,640	4
KCOM Group PLC (O2/Orange)	£45,017	£540,204	£1,080,408	5
Freedom Communications (U.K.) Ltd (Vodafone)	£47,415	£568,980	£1,137,960	6

- 3.4 The organisation providing the lowest price based upon the current call pattern is the Council's current contracted service provider Everything Everywhere (T-Mobile) at a cost of £790,272 for the 2 year contract period.
- 3.5 During the period of the contract it is anticipated that the organisation will migrate to Blackberry Enterprise Service 10 as industry support for the current version is phased out. At this time, there will be an increase in the annual rental costs of approximately £65,000.

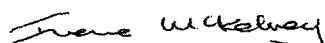
4 Financial Considerations

- 4.1 In a report to the Policy and Resources (F&CS) Committee on 22 February 2012, it was estimated that the cost of mobile telephony services for the existing contract would be £380,000 per annum. The organisation providing the lowest price, Everything Everywhere (T-Mobile), will have a contract cost of £395,136 per annum based on the August 2013 usage profile and reflects an increase of 4% on the previous estimate.
- 4.2 The necessary financial resources to fund this contract are met from the respective Service revenue budgets.

5 Recommendations

- 5.1 It is recommended that the committee:-

- Approve the award of this contract for the supply of mobile telephony services for a two year period commencing on 1st July 2014 to Everything Everywhere (T-Mobile) at a cost of approximately £790,272.



Head of E-Government & Service Development

For further information please contact Irene McKelvey, on tel. ext. 2531

NORTH LANARKSHIRE COUNCIL - PROCUREMENT REPORTING

		PART A PROPOSED ARRANGEMENTS	PART B ACTUAL ARRANGEMENTS												
1	Procurement Title	MOBILE TELEPHONY SERVICES													
2	Description	Procurement of Mobile Voice & Data Services													
3	Contract Category	<table border="1"> <tr> <td>Supply</td> <td><input type="checkbox"/></td> </tr> <tr> <td>Services</td> <td><input checked="" type="checkbox"/></td> </tr> <tr> <td>Works</td> <td><input type="checkbox"/></td> </tr> </table>	Supply	<input type="checkbox"/>	Services	<input checked="" type="checkbox"/>	Works	<input type="checkbox"/>							
Supply	<input type="checkbox"/>														
Services	<input checked="" type="checkbox"/>														
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4	Contract Type	<p>Term <input type="checkbox"/></p> <p>Framework Agreement <input type="checkbox"/></p> <p>Framework Contract <input type="checkbox"/></p> <p>One-off (Please note there will be ongoing software maintenance charges) <input type="checkbox"/></p> <p>Other – call off from collaborative framework agreement <input checked="" type="checkbox"/></p>													
5	Contract Duration	<table border="1"> <tr> <td>24</td> <td>Months</td> </tr> </table>	24	Months	<table border="1"> <tr> <td>24</td> <td>Months</td> </tr> </table>	24	Months								
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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>2014</td> </tr> </table>	DD	MM	YYYY	01	07	2014	<table border="1"> <tr> <td>DD</td> <td>MM</td> <td>YYYY</td> </tr> <tr> <td>01</td> <td>07</td> <td>2014</td> </tr> </table>	DD	MM	YYYY	01	07	2014
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8	Contract Extension	<p>Is a provision being included to extend the contract?</p> <table border="1"> <tr> <td>Yes</td> <td><input type="checkbox"/></td> <td>No</td> <td><input checked="" type="checkbox"/></td> </tr> </table> <p>If 'Yes', what is the maximum period of extension being sought?</p> <table border="1"> <tr> <td></td> <td>Months</td> </tr> </table>	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>		Months	<p>Had a provision been included to extend the contract?</p> <table border="1"> <tr> <td>Yes</td> <td><input type="checkbox"/></td> <td>No</td> <td><input checked="" type="checkbox"/></td> </tr> </table> <p>If 'Yes', what is the maximum period of extension included?</p> <table border="1"> <tr> <td></td> <td>Months</td> </tr> </table>	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>		Months
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		PART A PROPOSED ARRANGEMENTS	PART B ACTUAL ARRANGEMENTS				
9	Total Value	£760,000	£790,272				
10	What Procurement Route will be used?	EU Non-EU	<input type="checkbox"/> <input checked="" type="checkbox"/>				
11	If EU Procurement Route to be used, which procedure will apply?	Open Restricted Other - If 'Other' please provide details below:	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>				
12	If Non-EU Procurement Route to be used, which procedure will apply?	Open Restricted Approved List Other If 'Other' please provide details below: Government Procurement Service Framework (RM1498 – Lot 6) – Mobile Voice and Data Services	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input checked="" type="checkbox"/>				
13	What Evaluation Criteria will be used?	Lowest Price Most Economically Advantageous	<input checked="" type="checkbox"/> <input type="checkbox"/>				
14	Procurement Checklist	Procurement checklist provided to Procurement Manager? <table border="1"> <tr> <td>Yes</td> <td><input checked="" type="checkbox"/></td> <td>No</td> <td><input type="checkbox"/></td> </tr> </table>		Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>				
15	Details of Council Officer responsible for this procurement process	<table border="1"> <tr> <td>Name</td> <td>Alex Mitchell</td> </tr> <tr> <td>Telephone</td> <td>01698 302379</td> </tr> </table>		Name	Alex Mitchell	Telephone	01698 302379
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