

EAST RENFREWSHIRE COUNCIL

CABINET

27 March 2014

Report by Director of Finance

MOBILE VOICE AND DATA SERVICES

PURPOSE OF REPORT

1. The purpose of this report is to seek exemption from tendering procedures in accordance with Contract Standing Order 6 (iv), in relation to the provision of Mobile Voice and Data Services, for a period up to a maximum of 11 months from 1 January 2015 until 30 November 2015.

RECOMMENDATIONS

2. It is recommended that, in accordance with Contract Standing Order 6 (iv), a contract is negotiated with O2, who currently provide Mobile Voice and Data Services to the Council, for a period up to a maximum of 11 months from 1 January 2015 until 30 November 2015 at a cost of £110,000.

BACKGROUND

3. Following an OGC mini competition exercise in July 2010 via the Buying Solutions Mobile Solutions (II) Framework Agreement RM526/L1, O2 was awarded the contract to provide East Renfrewshire Council with Mobile Voice and Data Services for a period of 48 months starting on the 1 January 2010. This contract is managed by the procurement team.

4. East Renfrewshire Council has made significant investment in Mobile Voice and Data Services. These are an essential component of the underlying technology required to support modernising how we work, one of the 5 core Council capabilities. The current contract expires at the end of December 2014 and includes the following:

- Mobile phones including sim cards (1000+);
- Smart phones including sim cards (200+);
- Line rental and call charges;
- Data bundles (3G connectivity for agile devices such as smart phones, laptops and tablets);
- Hand set insurance; and
- Public access wifi for Council buildings such as Eastwood House.

5. We are currently at a critical stage within the roll out of agile working to CHCP and other Council services. Any move to another supplier would entail a significant programme of work to be undertaken jointly between ICT and other Council departments, and would delay the delivery of current projects plus benefits.

6. The current 5 year Telecommunication contract from Virgin Media Business for voice and data for the corporate and schools network will terminate in November 2015. Before the end of this contract the Council will go back to the market in whatever manner is consistent

with the shared services ICT strategy in place at the time (for example, Scottish Wide Area Network – SWAN).

7. Telecommunication suppliers are now able to offer Mobile Voice and Data Services. Therefore the Council should investigate the potential for a single contract encompassing Telecommunications and Mobile Voice and Data Services with the objective of delivering best value, efficiencies, etc. This new single contract should be managed by the Head of ICT including all technology aspects. However the administration of mobile phones, smart phones, etc will remain with the procurement team. By extending the current Mobile Voice and Data Services contract by 11 months, this will now co-terminate with the current Telecommunications contract.

8. Following discussions between ICT, Legal and Procurement, it is recommended that a contract be negotiated and awarded to O2 with the stipulation that before the end of this new contract the Council will go back to the market.

FINANCE AND EFFICIENCY

9. There is no additional cost to the Council as a result of the recommendation contained within this report.

CONSULTATION

10. Consultation has taken place with the Chief Solicitor and the Chief Procurement Officer who, following investigation, have confirmed that due to special circumstances it would be appropriate to undertake a negotiated procedure with O2 for the provision of Mobile Voice and Data Services for a further 11 months starting on the 1st January 2015.

CONCLUSIONS

11. The approval to negotiate and award a contract to O2 for the provision of Mobile Voice and Data Services is considered essential for the continued efficient operation of the Council. Failure to award a contract will result in service disruption.

RECOMMENDATIONS

12. It is recommended that, in accordance with Contract Standing Order 6 (iv), a contract is negotiated with O2, who currently provide Mobile Voice and Data Services to the Council, for a period up to a maximum of 11 months from 1 January 2015 until 30 November 2015 at a cost of £110,000.

REPORT AUTHOR

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KEY WORDS

Mobile Voice and Data Services, Exemption, Special Circumstances