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**Report of:** *Mike Weston, Assistant Director ICT Service Delivery*

**Report to:** *Eugene Walker, Executive Director of Resources*

**Date of Decision:** *TBC (From 28/05/2021)*

**Subject:** *Mobile Phone Contract*

Is this a Key Decision? If Yes, reason Key Decision:-	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
- Expenditure and/or savings over £500,000	<input checked="" type="checkbox"/>	
- Affects 2 or more Wards	<input type="checkbox"/>	
Which Cabinet Member Portfolio does this relate to? Finance, Resources and Governance		
Which Scrutiny and Policy Development Committee does this relate to? Overview and Scrutiny Management Committee		
Has an Equality Impact Assessment (EIA) been undertaken?	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
If YES, what EIA reference number has it been given? TBC but EIA attached		
Does the report contain confidential or exempt information?	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
If YES, give details as to whether the exemption applies to the full report / part of the report and/or appendices and complete below:-		
<i>"The <b>appendix</b> is not for publication because it contains exempt information under Paragraph 3 of Schedule 12A of the Local Government Act 1972 (as amended)."</i>		

**Purpose of Report:**

The purpose of this report is to outline our methodology for the contract award of the Councils mobile telephony services over the next 3 years (7<sup>th</sup> June 2021- 6<sup>th</sup> June 2024) and to seek approval to enter into a new contract.

**Recommendations:**

It is recommended that the Executive Director of Resources:

- Approves the Council awarding the mobile contract to Vodafone UK Ltd (Vodafone) via the Crown Commercial Services framework RM3808 Network Services 2 - Lot 6 Mobile Voice and Data Services as outlined in this report.
- Approves the Council entering into a Call Off Contract with Vodafone for a period of 3 years from 7th June 2021 to 6th June 2024 on terms that are not materially different from those outlined in this report.
- Notes that in line with council legal advice this contract can be regarded as commonly recurring item and therefore a key decision can be made by the appropriate Executive Director, in accordance with the Leaders Scheme of Delegation.

**Background Papers:**

Lead Officer to complete:-		
1	I have consulted the relevant departments in respect of any relevant implications indicated on the Statutory and Council Policy Checklist, and comments have been incorporated / additional forms completed / EIA completed, where required.	Finance: Kayleigh Inman
		Legal: Gemma Day
		Equalities: Bev Law
<i>Legal, financial/commercial and equalities implications must be included within the report and the name of the officer consulted must be included above.</i>		
2	<b>EMT member who approved submission:</b>	Eugene Walker
3	<b>Cabinet Member consulted:</b>	Councillor Terry Fox
4	I confirm that all necessary approval has been obtained in respect of the implications indicated on the Statutory and Council Policy Checklist and that the report has been approved for submission to the Decision Maker by the EMT member indicated at 2. In addition, any additional forms have been completed and signed off as required at 1.	
	<b>Lead Officer Name:</b> <i>Mike Weston</i>	<b>Job Title:</b> <i>Assistant Director ICT Service Delivery</i>
	<b>Date: 17/05/2021</b>	

## 1. PROPOSAL

The Council has a requirement (non-legal) to procure mobile telephony services including voice, texts and data. The current contract expired in May 2020 with the Council looking to award a new contract for a period of 3 years commencing 7th June 2021 on a co-terminus basis. This means that all connections, including any new ones added during the term, will terminate on the 6th June 2024. The agreement also covers the purchase of mobile device handset/peripherals if required.

The Council undertook a connection review which was completed in January 2021 which determined c. 2,000 connections that were no longer required to avoid additional costs.

Vodafone is the current provider of Mobile Telephony to the Council's staff, which enables staff to work safer, be more mobile and assists with meeting the key strategic objectives as outlined in the Tech2020 strategy.

Until a new contract is entered, Vodafone will continue to provide the services under a current 1 month rolling contract.

Due to the value of spend on this commodity a compliant route to market has been identified as a direct award Call Off from the Crown Commercial Services framework RM3808 Network Services 2 - Lot 6 Mobile Voice and Data Services. Being in a framework that allows Sheffield to be part big government contract that gets bulk savings has resulted in competitive pricing, which is fixed for the 3 year period, and also includes rebates which can be used against purchased of handsets/peripherals.

The key benefits of the contract will be:

- Competitive and consistent pricing for each tariff type
- Connections can be moved from one tariff type to another to enable flexibility during the contract term
- Provide consistency in Network and reception performance

The large cash rebates per connection offered under the prior agreement are no longer available within the market. The market still offers rebates but these are lower in value and are not cash. The rebates offered are to be spent on handsets/peripherals during the contract term. They cannot be swapped for cash, nor be used to pay an invoice.

The only way to save significant money in this area of spend is to reduce the number of connections and/or manage data usage as a data pool as opposed to a data limit per connection. The Council has already achieved both of these requirements as already contracts for a data pool and BCIS undertook a connection review which was

completed January 2021 which determined c. 2,000 connections that were no longer required to avoid additional costs.

A key decision is recommended to:

Agree that the Council enters into a three-year contract for Mobile Telephony Services with Vodafone UK Ltd, through the Crown Commercial Services Framework via Direct Call Off, in accordance with the strategy set out in this report.

## **2. HOW DOES THIS DECISION CONTRIBUTE?**

The Council has over 9210 connections split across a range of devices which were supported by a variety of call and data packages. This allows staff to make and receive calls as well as providing access to their emails, calendars and the internet on the move, which enhances the capabilities of a workforce which is becoming more mobile as the Council transforms its services.

The main areas that are covered by this service are; -

- Voice only i.e. sims that go in handsets
- Voice and data i.e. sims in smartphones
- Data only. These can be in laptops, dongles, parking meters, door entry systems

This proposal fully supports the Council's corporate objectives and Tech 2020 strategy. The decision also supports the Council's ongoing response to Covid 19 with staff required to work from home and manage their call flow in a flexible way.

During the previous 3 year contract period, which included a period in which the Council was required to provide additional support to staff to enable them to work remotely from home due to Covid-19 from March 2020, a total of c 3,000 new connections were made and the Council's monthly data use increased from an average 2.8 Terabytes per month to 3.8 Terabytes in April 2020.

## **3. HAS THERE BEEN ANY CONSULTATION?**

Consultation for this procurement has taken place through circulation of this report to relevant Members and officers. The proposals within this report were also considered and endorsed by the Corporate Procurement Service.

## 4. RISK ANALYSIS AND IMPLICATIONS OF THE DECISION

### 4.1 Equality of Opportunity Implications

- 4.1.1 This does not greatly impact on Equalities, however the use of smartphones, means that the Councils workforce is more fluid and can respond to the public, staff and members in a timely manner. The phones can also play a major part in communication enhancing the customer experience from both an internal and external view

Staff are also able to sync their MS Teams account to the mobile and offer more staff flexibility within the wider telephony strategy.

Mobile devices provide “accessibility features” and allow for customisation of devices. People with disabilities can reduce colour contrast of the screen, increase size of text and enable text-to-speech features. There are a variety of accessibility features and services which make it possible for the hearing impaired to make and receive calls on a mobile phone, ranging from basic features like provision of volume adjustment and speakers to provision of video relay services

Equality impact assessment completed. See Appendix A

### 4.2 Financial and Commercial Implications

- 4.2.1 The total value of the contract over a 3 year term will depend on the tariff split utilised by Sheffield Council.

The Confidential Appendix details the monthly tariffs and associated costs based on the current quantity and split of connectors. It is therefore estimated the contact value is £2,407,876.92 but may fluctuate (more likely to decrease) over the life of the contract. The commercial heading highlights how the council can internally manage tariffs to reduce costs.

This estimation is based on the council hitting over 8TB in March and April 2021. The council has seen an increase in data usage since the implementation of MS Teams App in 2021 with an assumption that any further increase will be covered within the below tariff split that allows scope for such an increase. The current provider predicts it's unlikely the council will exceed this data usage during the contract period however to add in room for growth, should the council need it the contract we allow for up to 1000 new connections, spread across the 3 main tariffs. There's no commitment to take these as it's a Call Off contract but will mean a contract amendment is not required in the unlikely event new connections are needed mid-contract.

The contract will be funded by recharging usage costs to Services.

## Commercial

Vodafone have provided competitive pricing under the Crown Commercial Services framework which are fixed for the contract period.

Rebates have been offered depending on the tariff fee for each connection which are based on the number of connections at the start of the contract. See Tech Fund on the Confidential Appendix for details of the rebates. The number of connections at contract commencement is fixed (rebates are not offered for new connections made during the contract term) , however whereby a connection is no longer required it can be moved to a cheaper tariff until a new connection is required and then re-assign. E.g. a connection on a voice and data tariff can be moved to a voice only for the period it is not in use. This would need to be managed within BCIS using the Vodafone online system which they used under the previous contract.

### 4.3 Legal Implications

- 4.3.1 If a decision is made to approve the recommendations outlined above, then the Council will be required to enter into a call-off contract (the Contract) with Vodafone.

The Council has a general power under Section 1 of the Localism Act 2011 to do anything that an individual may generally do provided it is not prohibited by other legislation and the power is exercised in accordance with the limitations specified in the Act which enables the Council to enter into this Contract.

The procurement route proposed in this report of using the Crown Commercial Services framework ensures that the Council are compliant with the Public Contracts Regulations 2015.

There are a number of special conditions included in the Contract, for example there are special conditions around protecting their employees in relation to Covid. These will apply until government advice changes.

The Contract is for 36 months and there is not the ability to extend further.

The Council can terminate the Contract by giving 30 days' notice, if the Contract is terminated prior to the end of the 36 months then early termination charges will be charged to the Council along with reasonable losses.



The Contract contains security clauses which requires Vodafone as the supplier to develop, maintain and comply with a security management plan. A change to the security management plan during its term must be dealt with in accordance with the variation procedure.

The Contract has a service levels schedule which details for example service credits, downtime, unplanned incidents, deliverables and service levels. The services being provided to the Council must be delivered in accordance with this schedule.

The Contract also contains Vodafone's general terms, for example liability, any equipment warranties received from the manufacturer will be passed on to the Council as customer, equipment fund, escalation process, an acceptable use policy and a recovery policy.

The Council must ensure that all Officers who are deemed users under this agreement comply with all applicable requirements including but not limited to acceptable use.

The current Contract that has been reviewed is draft, if any material changes are made to the terms and conditions these should be re-sent to legal for review.

The Council must comply with all applicable legislation and regulations including but not limited to UK GDPR, Data Protection Regulations 2018, the Public Contracts Regulations and the Councils Contracts Standing Orders.

#### 4.4 Other Implications

4.4.1 None identified

### 5. **ALTERNATIVE OPTIONS CONSIDERED**

5.1 **Do Nothing:** This option has been rejected as this would be in direct violation of the Councils Contract rules and EU legislation.

**Access an open Framework via mini competition:** This option has been rejected as it is possible to direct award on a compliant framework.

**Access an Open Framework through Direct Award:** This is the recommended option as it is an available option within the public sector frameworks open for the Council to use. It also has the advantage of being a quicker process than other options and is also compliant with Public Contracts Regulations 2015.

**Conduct an open market procurement:** This option has been rejected as there are many public sector frameworks available in which the Council can procure against which saves the Council conducting a full tender process.

## **6. REASONS FOR RECOMMENDATIONS**

6.1 The reasons for the recommendations is because:

- it provides consistency in Network and reception performance
- it is Competitive and consistent pricing for each tariff type
- connections can be moved from one tariff type to another to enable flexibility during the contract term
- it provides an effective and efficient way to manage the council mobile telephony requirements.

## **Appendix A – Equality Impact Assessment**



EIA - Vodafone  
Contract.docx