

AVON AND SOMERSET CONSTABULARY

To: Julian Kern Station: Director of Finance
 Mark Simmonds CFO OPCC Office

From: Steve Hodgson Station: Strategic Procurement Services Ext No: 66277

Ref: SPS 0160 Date: 23rd June 2016

SUBJECT: Recommendation to Award Contract for the Provision of Mobile Phone Network Solution Contract extension.

Executive Summary

External to Avon and Somerset constabulary, the Cabinet Office's Government Digital Strategy and the Home Office and College of Policing have both identified the strategic benefit of deploying Mobile Technology improvements in the local government workplace and in Policing.

Within Avon and Somerset the direction of the organisation is to adopt the benefits of Mobile Technology. This is supported by the recent ICT Strategy which identifies Mobile Channel enablement as a key component of an overall digital channel transformation programme.

To achieve this ASC has initiated a project to review available hardware, connectivity and commercial requirements for mobile working solutions.

Network provider O2 were selected to deliver mobile services by ASC based on the best commercial price offered during the tender process and also specific USP's such as provision of a Data Pool (Please see attached note and benefits paper).

This paper requests permission to extend this contract by a further 2 years to maximise VFM and deliverable benefits from this contract.

1) Introduction

As part of the new ways of working there is a requirement to provide greater access to Police systems and increase officer public facing time whilst reducing office based activity.

As part of this initiative the use of new mobile phone technology to interface with Police systems has been identified as key opportunity to help achieve this.

This report is submitted for the recommendation to award an extension to the following mobile working contract:

- O2 Voice and Data Contract
- Type of requirement – 2 year contract in line with ESPTN Government guidance (30 months against new commercial model covering the last 6 months of the existing 2 year contract)

2) Background Information

- The initial scope of the mobile project covered device selection, network selection, commercial activities and data choice.
- This data requirement is designed to facilitate the needs of the new operating model.

- The original contract was let through the Public Services Network Framework. The Framework allows for a 2 year extension to a maximum of 4 years without further competition requirements.

3) Benefits Summary

Brief summary of contract extension benefits:

- Reduced contract revenue costs of £441,000 (over 30 months)
- Refreshed Tech Fund for equipment replacement of £350,000
- Data Pool which allows ASC to roll forward unused data for use as required

4) Cost Evaluation & Savings

- Current contract value is £1,116,000
- Proposed contract value is £763,200
- Additional saving achieved £88,200 (6 month early adoption of improved price structure)

5) Contract Duration

The contract commercials will come into effect from [01/07/2016] and will have a term of 30 months, this represents improved financials for the remaining 6 months of the current contract and a further 2 years at that rate.

6) Key Risks & Mitigation

The main risks and mitigations actions associated with this contract award are detailed below:

- Network Connectivity issues – O2 have committed to 98% land mass coverage Nationally by the end of 2017. Changes in Government legislation allowing a 50% increase in Mast height will also improve signal. Use of O2 secure WiFi will further enhance signal.
- Loss/Damage to hardware – contingency stock
- Data usage – unclear as to exact requirements however through existing Data Pool and new contract provision, ASC should have sufficient Data to cover all requirements and avoid further revenue costs.
- Equipment obsolescence – Tech Refresh Fund to provide appropriate Capital to cover the majority of front line Officer requirements

7) Conclusion

- The existing O2 contract was competed through a compliant tender process in 2014, O2 provided the most economically advantageous bid at that time.
- O2 have further reduced revenue costs associated with the contract by £441,000 representing best in sector commercial arrangements to ASC.
- The addition of the Data Pool to the O2/ASC contract provides flexibility to the way ASC plans its mobile working strategy and additionally doubles the value of the data at no extra cost.

8) Recommendation

- 8.1. It is recommended that a 30 month contract for £763,000 be placed to extend for 2 years the scope of the tendered works as awarded to O2 Limited for Mobile Phone hardware/software and network service.

Kind Regards

Steve Hodgson
Head of Procurement

The recommendation to award a mobile working contract extension to O2 Limited for Mobile Phone Services is **AGREED / NOT AGREED** (Please delete as appropriate)

Signed:



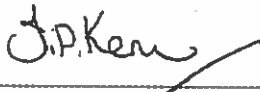
Mark Simmonds
Chief Finance Officer
Avon & Somerset Police & Crime Commissioner's Office

24th June 2016

Date:

The recommendation to award a mobile working contract extension to O2 Limited for Mobile Phone Services is **AGREED / NOT AGREED** (Please delete as appropriate)

Signed:



Julian Kern
Director of Finance
Avon & Somerset Police

24th June 2016

Date:

