

**Report for:** Cabinet Member Signing – 7 March 2022

**Title:** Contract Variation for Provision of Mobile Network Voice and Data Services

**Report authorised by:** Susie Faulkner, Director for Customers, Transformation & Resources

**Lead Officer:** Paul Dooley, Chief Information Officer, Transformation & Resources

**Ward(s) affected:** N/A

**Report for Key/Non Key Decision:** Key Decision

1 Describe the issue under consideration

- 1.1 This report seeks Cabinet Member approval under Contract Standing Order 10.02.1 b), where the value is £500,000 (five hundred thousand pounds) or more, and subject to the provisions of Public Contract Regulations 2015 (PCR) 72(1) (b) (i) & (ii) for the extension and variation to the Mobile Network Voice and Data Services contract awarded to EE Ltd.
- 1.2 The contract award will be for a period of no more than 12 months, with a value of up to £204,000.00, to commence on 1<sup>st</sup> April 2022. Total aggregated contract value is up to £1,022,000.00, over the 5-year term.

2 Cabinet Member Introduction

- 2.1 This decision needs to be taken so that the Mobile Network Voice and Data Services contract for the Council is maintained. A new contract will be procured and in place before 1<sup>st</sup> April 2023.

3 Recommendations

The Cabinet Member is asked:

- 3.1 To approve the implementation of Contract Standing Order 10.02.1 (b) and Contract Standing Order 16.02 and award the extension and variation for the Mobile Network Voice and Data Services contract to EE Ltd, for a period no longer than 12 months, from 1 April 2022.
- 3.2 The contract value will not exceed £204,000.00, over the 12-month variation term, with a total aggregated contract value of up to £1,022,000.00.

#### 4 Reasons for decision

- 4.1 The current contract is due to expire on 30<sup>th</sup> March 2022. Therefore, this variation is being presented to Cabinet Member to ensure the continuity of all mobile network voice and data services used by the London Borough of Haringey and Homes for Haringey.
- 4.2 An open tender to procure a new contract for the Council's Mobile Network Voice and Data Services was issued on 19<sup>th</sup> November 2021, with the provision of a new service scheduled for 1<sup>st</sup> April 2022. Of the submissions received, none were compliant, and the decision was taken to cancel the procurement, with no new contract being let.

#### 5 Alternative options considered

There are 2 alternative options available:

- 5.1 **Retender** – not an option as we do not have sufficient time to carry out a compliant procurement.
- 5.2 **No Action** – do not award a contract extension and allow the existing contract to end. This option has a high level of risk. The implications of not having a contract are:
- Special tariff rates and discounts could revert to increased standard rates
  - Possible disruption to mobile network services

#### 6 Background information

- 6.1 The Council's Mobile Network Voice and Data Services contract was procured through Crown Commercial Services RM1045, Lot 6, and is in the final year of a 4-year contract (2+1+1). The original contract, covering the initial 2-year term, was awarded with a total value of up to £409,000.00. The aggregated contract value, over the 4-year term, is up to £818,000.00.
- 6.2 Following an unsuccessful tender, as a result of non-compliant bids, additional services under the current contract have become necessary. Contract variations of up to 50% of the original contract value are permitted under current framework terms and Contract Standing Order 10.02.1 b), and Public Contract Regulations 2015 (PCR) 72(1) (b). Details of the tender are included within Appendix 1, Exempt Report, 1. Open Tender Mobile Network Voice and Data Services Contract.
- 6.3 EE Ltd have offered, from 1<sup>st</sup> April 2022, the continued provision of all mobile services used by the Council. Current contract service rates will be fixed for the duration of the variation and all lines transitioned to a 30-day rolling notice period. Rates are included within Appendix 1, Exempt Report, 2. Mobile Network Voice and Data tariff rates.

- 6.4 If the extension to the Mobile Network Voice and Data Services contract is awarded, it provides time to approach the market and procure a contract using the most advantageous and cost-effective route available. The flexibility of the 30-day rolling notice period, rather than a hard coterminous contract end date, allows for a new contract to be awarded and transitioned within the 12-month variation term, without any termination charges.
- 6.5 There are no associated cost increases in relation to the variation, as service rates from the current contract will be carried over. Cost control strategy will continue to deliver reductions within the terms of the extended contract, with the continued close scrutiny of the account and the use of smart technology.
- 6.6 Funding for the extension will come from existing Digital Services revenue budget and Homes for Haringey who fund their own usage.
- 6.7 There are no identified negative equality implications. This is a renewal of an existing contract.

## 7 Contribution to strategic outcomes

- 7.1 The Mobile Services used within the council are vital in the fulfilment of the borough plan and align to each of the priorities. They play a vital part in the successful delivery of critical services and outcomes for our residents. They have been a key enabler for home working and have been essential in supporting residents throughout the borough.

## 8 Statutory Officers comments (Director of Finance (including procurement), Head of Legal and Governance, Equalities)

### **Finance**

- 8.1 The cost of this 12-month contract extension is not expected to exceed £204,000 with spend expected to remain broadly static as tariffs are being held at current levels for the duration of the extension period. However as stated above Digital Services are seeking opportunities to reduce mobile network spend wherever possible.
- 8.2 The cost of the contract extension will be funded from existing provision within the Digital Services revenue budget as well as by Homes for Haringey who fund their own usage.

### **Strategic Procurement**

- 8.3 Contract Standing Order 10.02.1 b) permits the Cabinet to vary a contract where the value is £500,000 (five hundred thousand pounds) or more, and subject to the provisions of Public Contract Regulations 2015 (PCR) 72.
- 8.4 The variation of this contract is in accordance with CSOs and PCRs and SP have no objection to the variation.

### **Legal**

- 8.5 The Head of Legal and Governance (Monitoring Officer) has been consulted in the preparation of the report.
- 8.6 The variation of contract which this report relates to is in accordance with Regulation 72(1)(b) of the Public Contracts Regulations 2015.
- 8.7 Pursuant to Contract Standing Order 16.02 a Cabinet Member with the relevant portfolio responsibilities has authority to approve the recommendations in the report.
- 8.8 The Head of Legal and Governance (Monitoring Officer) sees no legal reasons preventing the Cabinet Member for Customer Services, Welfare and the Public Realm from approving the recommendations in the report.

### **Equality comments**

- 8.9 The council has a Public Sector Equality Duty under the Equality Act (2010) to have due regard to the need to:
- Eliminate discrimination, harassment and victimisation and any other conduct prohibited under the Act
  - Advance equality of opportunity between people who share protected characteristics and people who do not
  - Foster good relations between people who share those characteristics and people who do not
- 8.10 The three parts of the duty apply to the following protected characteristics: age, disability, gender reassignment, pregnancy/maternity, race, religion/faith, sex and sexual orientation. Marriage and civil partnership status applies to the first part of the duty.
- 8.11 The proposed decision is to approve the final one-year contract extension with EE Ltd for the Councils Mobile Network Services. This will affect a large proportion of Haringey residents, with those who are particularly reliant on the council for essential services particularly impacted, amongst whom there are a disproportionate number of people with protected characteristics.
- 8.12 The objective of the proposed decision is to ensure continuity of the existing mobile services that link into the successful delivery of the borough plan. This proposal will enable the council to continue to deliver essential services for

all residents. Without this continuity, it is likely that those with protected characteristics or on low incomes would be particularly negatively impacted by the subsequent disruption to council operations.

- 8.13 As an organisation carrying out a public function on behalf of a public body, EE Ltd will be obliged to have due regard for the need to achieve the three aims of the Public Sector Equality Duty as stated above. Appropriate contract management arrangements will be established to ensure that the delivery of the service does not result in any preventable or disproportionate inequality.

9 Use of Appendices / background documents

Appendix

1. Exempt Report

10 Local Government (Access to Information) Act 1985

Not applicable.