

# Report Reference Officer Decision To Commence a New Managed Mobile Telephony Contract

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## ***Executive Summary:***

This Officer report details the decision to commence a new managed mobile telephony contract with Class Networks, replacing our outdated mobile estate, with new, highly secure devices and flexible rates.

Tendring District Council has led managed mobile telephony service discussions with Essex Online Partnership (EOLP) partners who can each join the framework offering, thus ensuring value for money on the contract proposal.

In addition to value-for-money, key to this decision is the flexibility the new managed contract will supply. The offering allows the primary network of our estate to stay on EE due to its overall greater coverage against other networks as well as faster download speeds (P3, 'Mobile Benchmark Report 2018'), thus minimising outage and disruption to users, whilst allowing 10% of our connections to be on an alternative network, under the same contract, should we not receive suitable coverage on EE.

The provision of updated mobile telephony devices will not only ensure newer (devices released this calendar year), highly resilient devices replacing 5-year-old devices, but also ensure greater cyber security arrangements for our mobile fleet.

The contract renewal costs will be £61,032 per year for a three-year period. Subject to outgoing call charges variability, this contract will have a minimal increase in costs for highly resilient, more secure, and newer devices with a greater contract flexibility.

The procurement route is a direct award through the UK government Crown Commercial Services framework (RM3808 Lot 6) which is in accordance with the Council's Budget and Policy framework.

## ***Background:***

The Council has had its current mobile estate for the past 5 years and has now come to the end of its managed service contract. The current devices procured were purchased at the beginning of the contract and have been sufficient for the duration of the terms but, due to the enhancements of both mobile telephony and cyber security, are now somewhat out of date and not sufficient for the needs of the use, thus the increasing need to procure new devices and investigate a new managed mobile telephony contract.

To ensure cost effectiveness and value for money whilst ensuring the resilience of this key telephony communications channel, Tendring District Council has been leading Essex Online Partnership (EOLP), now known as Essex Digital Partnership (EDP), partners in a multi-partner, value-for-money, managed mobile telephony framework offering which all EOLP partners can join as and when their existing telephony contractual arrangements allow.

This short report and officer decision proposes the procurement of a new, managed mobile telephony contract with Class Networks, one of only 14 EE resellers in the UK ensuring value for money, heightened cyber security arrangements on our mobile fleet and account / device and network flexibility.

From a resilience perspective, the Class Networks managed service includes an option for 10% of the mobile estate to be on an alternative network (ie O2, Vodafone, Three etc) to our primary network (EE) under the same contract, if the needs are required due to unsuitable coverage on the EE network.

From a security perspective, through their partnership with EE, Class Networks can provide innovating mobile technology to Tendring in which all mobile data is passed through their data centre, enabling the access to websites and applications are restricted to those of our choosing. This can help with the prevention of fraud and misuse by providing total control of websites access at SIM level and independent of the device, further enhancing our cyber security posture.

Our current data allowance per device allows for only 1GB per user, per month. This has led to some users exceeding their data allowance and incurring high costs / fees for the excess data used, whilst low data users are not using their full allocated data allowance per month. The new contract proposal with Class Networks allows for data flexibility by 'sharing' data. The mobile fleet will have the allowance of 1GB of data per device (ie 1GB x 300 devices = 300GB for the fleet) that can be 'shared' across the fleet. This will allow for the heavy users of mobile data to utilise any spare data that is available from the total pool of all users to help mitigate against "bill shock" or high charges from excessive data use.

### Reasons For The Decision:

A number of factors have all lead to the procurement of a new managed mobile telephony contract with Class Networks, as follows;

1. **Value for Money** - Tendring District Council has led managed mobile telephony service discussions with Essex Online Partnership (EOLP) partners who can each join the framework offering and thus helping us ensure the best value for money for the contract.
2. **A trusted expert** – Working with over 1,200 voluntary and public sector organisations providing technology and communication solutions, Class Networks has built a strong reputation as a 'trusted expert'
3. **Network options flexibility** - The offering allows the primary network of our estate to stay on EE due to its overall greater coverage against other networks as well as faster download speeds (P3,'Mobile Benchmark Report 2018'), reducing outage and disruption to users to a minimum, whilst allowing 10% of our connections to be on an alternative network, under the same contract, should they not receive suitable coverage on EE.
4. **Shared Data Allowance – Aggregated Data** – shared data allowance enables usage fluctuations without excessive overage charges. Aggregated data bundles all user's individual data allowances to be shared across the estate, providing more flexibility in cases of data fluctuations throughout the contract term.
5. **Contract Flexibility** – Class networks allow connections to be ceased within the contract term on 30 days' notice without penalty. Shared data allowance can be

increased and decreased month on month allowing for efficient data utilisation and ensuring any usage spikes are smoothed.

6. **Alerting**– Class Networks can provide both email and SMS alerting functionality to customers to advise on high usage enabling the user to visualise and manage their usage, minimising overspend / usage.
7. **Capping of usage** – Usage caps can be applied to users (if required) to avoid “bill shock”. A usage value can be set and the user will be advised when they are nearing their limit before services are temporarily barred.
8. **Implementation and Migration** – By moving to another EE reseller (one of only 14 in the UK), users will not need to swap their sim cards and just need their devices replaced thus minimising disruption.
9. **Ongoing Support** – To ensure smooth running of the contract and to simplify the addition of new users or fault resolution, Tendring will be provided with blank sims, to be held on site, for quicker activations of new users and faster fault resolutions. Tendring will also be provided with preactivated test sims for coverage testing.
10. **Hardware** – Class Networks offer a full range of unlocked Apple IOS and Android headsets to suit all budgets, ensuring the council can pick the best devices within the budget requirements.
11. **Web Portal and Reporting** – The web portal provided by Class Networks allows for:
  - a. Viewing invoices
  - b. Viewing alerts of high usage
  - c. Capping of charges
  - d. Management reporting
  - e. Training of the web portal
  - f. Allocation of mobile users
  - g. Management of costs with the ability to auto top-up data bundles to minimise data overage.
12. **Account Management**
  - a. Quarterly, high level review calls to identify any current issues that may need to be overcome (this doesn't not include fault calls / resolutions that need to be actioned in a timely fashion).
  - b. 6 monthly tariff review to look at the working relationship and identify areas that are working well and ones that need improvement. Also provides an opportunity for both parties to provide a high-level review of the market and business developments, highlighting any areas Class may be able to assist in more effectively delivering the business strategy and / or providing a solution to a business issue.
13. **Mobile Security**- Mobile Device Management (MDM) provides enhanced security across our mobile fleet and supports improved asset management and greater control of the deployments of applications. Through their partnership with EE (and being one of only 14 EE resellers in the UK), Class are able to provide innovating mobile technology to Tendring in which all mobile data is passed through their data centre, enabling the access to websites and applications are restricted to those of our choosing. This can help with the prevention of fraud and misuse by providing total control of websites access at SIM level and independent of the device, thus further enhancing our cyber security posture.
14. **Framework agreement procurement** in accordance with our procurement rules of procedure.

With the end of the contract approaching and the need to further secure our estate and upgrade our mobile fleet with new, fit for purpose devices, all the above factors sign-posted officer thinking that the time was right to migrate our mobile estate to a new provider.

And crucially, delivering this contractual service element within budget during difficult financial circumstances and to one of only fourteen EE resellers in the UK. This in turn gives confidence and trust in professional competence, confidence in delivering the required technical reliability and resilience this key service requires.

A key qualitative consideration has been given to the very significant and real strategic cyber security risks surrounding the renewal of this contract, together with the potential for catastrophic Council reputational loss should we suffer a large loss of data or cybersecurity breach. Given the level of access to information/ systems necessary to manage this service the Council needs ultimate confidence in the specialist capabilities and knowledge credentials and process management in placing this new contract.

The Council's IT Technical Operations Manager independently recommended to the Head of IT and Resilience Service that the new contract be awarded based upon the above rationale.

### **Financial Summary:**

The new three-year contract will be paid for through existing council budgets.

The initial costings will comprise of 25x iPhone SE's 2022 64GB and 275 Samsung Galaxy A53 Enterprise handsets on a 36-month term with Unlimited Minutes and Texts and 1GB of pooled data per device, per month (total of 300GB of shared data for the whole estate per month). This would also include 34 data sims for mobile routers (ie Nighthawks).

The monthly rental for the data and allowance (ie minutes and texts) will be £6.50 per month with a further £10.00 per month for a Hardware Fund equating to £16.50 per month. A hardware fund allows for the department to spread the cost of the device over the contract period thus reducing the initial layout for the devices.

\*The total monthly rental for all devices is £5,086 and the total contract value for all devices is £61,032 per year equating to £183,096.00 for the 3-year period.

\*Please note that these costings are likely to change with the demand of corporate mobile devices the council may require throughout the 3-year term. This also does not include extra charges for any costings outside of the allocated mobile package.

### **Legal:**

This proposed investment is in accordance with the Council's Budget and Policy framework. The procurement route will be through the UK government Crown Commercial Services framework (RM3808 – Lot 6) which is fully compliant with the Council's Procurement Procedure Rules.

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