

To: The Finance, Resources and Customer Services Policy Board

On: Wednesday 2 February 2022

Report by: Chief Executive and the Acting Director of Finance and Resources

Heading: Telephony as a Service (RC-CPU-21-305)

1. Summary

1.1 The purpose of this report is to seek approval of the Finance, Resources and Customer Services Policy Board to award a Call Off Contract for Telephony as a Service.

1.2 This procurement will be conducted as a direct award in accordance with Call-Off Ordering procedure of the Renfrewshire Council single supplier Framework Agreement for the Provision of Connectivity as a Service (RC-CPU-19-272) ("Framework") and the Council's Standing Orders Relating to Contracts.

1.3 A Contract Strategy for the Council's Framework for Connectivity as a Service (RC-CPU-19-272) was authorised by the Head of ICT and the Strategic Commercial and Procurement Manager on 10 December 2020. Enterprise Telephony was identified as a relevant contract for replacement using this Framework.

2. Recommendations

2.1 It is recommended that the Finance, Resources and Customer Services Policy Board authorise the Head of Corporate Governance to:

- 2.1.1 Award a Call Off Contract for Telephony as a Service to Commsworld Limited subject to conclusion of the Call-off Ordering Procedure under Renfrewshire Council single supplier Framework Agreement for the Provision of Connectivity as a Service (RC-CPU-19-272).
 - 2.1.2 Award the contract for a maximum period of 20 years from 01 April 2022 until 31 March 2042. The contract will have a break point every 5 years to allow the technology to be reviewed for ongoing alignment to business need. Should the Break option be exercised a period of notice of no less than 2 years shall be provided.
 - 2.1.3 Award the contract for a maximum contract value of £16,936,870 excluding VAT if the break points are not utilised, and the contract period reaches 20 years. The value for the initial year of the contract will be £604,804 and the annual recurring value from year 2 to year 20 will be £859,582.
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3. **Background**

- 3.1 Renfrewshire Council currently has a contract in place for Telephony as a Service which will expire on 18 April 2023. Therefore, the Council is seeking to appoint a new Service Provider for its Telephony as a Service solution by April 2022 to allow for the transition of these services to a new Service Provider before the current contract expires. Telephony was identified within the Framework as a service which shall be included for future delivery as a Call-off from the Framework. This Telephony solution will meet all the Council's communication needs such as fixed and mobile telephony, contact centre services, non-geographic numbers and where needed lift and alarm lines.
- 3.2 The Framework provides that during the life of the Framework potential new services will be assessed and subjected to soft market testing before a decision is made to include these services within the Framework or subject the requirement to a separate procurement process. In this instance, the Council carried out a benchmarking exercise for its Telephony requirement and determined that best value could be sought by awarding this Contract via a Call-Off made under the Framework.
- 3.3 In accordance with Standing Orders relating to Contracts 29.2, The HOPAC has identified a Framework which provides a suitable route to market and provides a procedure for Call-off Ordering without being required to seek further competition.

- 3.4 The Council has been negotiating with Commsworld Limited to agree the detail of this Call-off Contract and has now reached agreement in principle. In accordance with the Framework Call-Off Ordering Procedure, both parties are required to complete a Framework Order Form. To incorporate the requirements of the 20 year Contract Period with additional break options, the Council will require to include Special Conditions of Contract which will clearly set out the mechanisms as agreed. Once drafted, the Special Conditions of Contract will be issued with the Order Form to Commsworld Limited. On receipt of the signed Order Form the Contract can be concluded. The Special Conditions of Contract will not impact on the core contract elements set out in Section 2 of this report which have been fully agreed with Commsworld Limited. Should there be any change to any element of the recommendations, then this Contract will not be awarded and a further report will be submitted for approval to the next available Finance, Resources and Customer Services Policy Board.
- 3.5 Commsworld Limited has committed to deliver Community Benefits aligned to the Council's Community Benefit Outcome Menu and points matrix as follows:
- Across the full Contract term of 20 years, Community Benefits with an equivalent points value of 120 will be delivered as a minimum. Taking into account the contract structure, Commsworld have committed to deliver 90 points worth of Community Benefits in the first 5 year period. The Community Benefits to be delivered will be agreed in partnership between the Council, Commsworld Limited and the Community Benefits Forum.
- 3.6 Costs in respect of this contract will be met from the ICT Revenue and Capital Budgets
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Implications of the Report

1. **Financial** - Costs under this Call Off Contract will be funded by the ICT Revenue and Capital budget.
2. **HR & Organisational Development** - No TUPE implications for the Council have arisen or are anticipated.
3. **Community/Council Planning –**
 - Working together to improve outcomes – this Call Off Contract will ensure the Council takes advantage of new technologies to deliver better and more efficient services.

4. **Legal** - This procurement was conducted as a Call-Off in accordance with Call-Off Ordering procedure of the Renfrewshire Council single supplier Framework for Connectivity as a Service (RC-CPU-19-272) and the Council's Standing Orders Relating to Contracts.
5. **Property/Assets** – There are no property/assets implications arising from this contract.
6. **Information Technology** – The Council's ICT Services will be able to utilise the connectivity infrastructure already invested by Commsworld Limited upon implementation of previous services carried out by them under the Framework
7. **Equality & Human Rights** -
 - (a) The Recommendations contained within this report have been assessed in relation to their impact on equalities and human rights. No negative impacts on equality groups or potential for infringement of individuals' human rights have been identified arising from the recommendations contained in the report. If required following implementation, the actual impact of the recommendations and the mitigating actions will be reviewed and monitored, and the results of the assessment will be published on the Council's website.
8. **Health & Safety** – Commsworld Limited's health and safety credentials were evaluated by the Council's Health and Safety Department as part of the evaluation for the Framework.
9. **Procurement** – The procurement procedures outlined within this report ensure that the Council meets its statutory requirements in respect of procurement procedures, efficiency and modern Government.
10. **Risk** - Commsworld Limited's insurance policies were evaluated by the Council's Risk Department as part of the evaluation for the Framework.
11. **Privacy Impact** – A Data Protection Impact Assessment was conducted for this Call-off Contract and reviewed by Information Governance.
12. **Cosla Policy Position** – No Cosla policy position implications have arisen or are anticipated.

13. **Climate Risk** – The level of impact associated with provision of this service has been assessed using the Scottish Government Sustainability Test and is considered to be medium risk.
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List of Background Papers

Contract Authorisation Report for the Framework Agreement for the Provision of Connectivity as a Service

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