Sir y Fflint Flintshire
CYNGOR
COUNTY COUNCIL

AUDIT COMMITTEE

Date of Meeting	Wednesday, 25 January 2017
Report Subject	Mobile Phones - Progress Update
Report Author	Chief Officer (Governance)

EXECUTIVE SUMMARY

This report provides information relation to the use and cost of mobile phones in Flintshire County Council for the 2015 /16 financial year. It provides an update to the report that was presented to the Audit committee on Wednesday 3rd June 2015 covering the 2014 / 15 financial year.

The report provides a detailed breakdown on the costs and number of mobile phones summarised by portfolio and covers the 2014/15 and 2015/16 financial years.

In addition, details are provided with regards to new contractual arrangement for mobile phones and identifies the anticipated saving from this new agreement. Details of the new Mobile phone and Smartphone Policy are also included within this report.

RECOMMENDATIONS
1	The committee is assured that the costs and processes for mobile phones are satisfactory.

REPORT DETAILS

1.00	Mobile Phones – Progress Update
1.01	**Background** A detailed report concerning the use and cost of mobile phones used by Flintshire County Council was presented to the Audit committee on Wednesday 3rd June 2015. The Audit committee has requested an update in relation to the use and costs associated with the use of Mobile Phones. In line with the previous report costs and usage associated with data sims cards used in traffic lights, ipads, laptops, etc. have been excluded with the exception of the devices to support the housing repairs mobile working project (as these are also used as mobile phones).
1.02	**CONSIDERATIONS** At the end of the 2014/15 financial year the Council had a total of 1985 mobile phone contracts. As at the end of March 2015/16 the number of contracts had reduced to 1771. The annual cost of mobile phones has reduced from £194,109 to £152,949 in the same period. This reduction has been achieved through the continued challenge of the need for mobile phones within the portfolios, the reduction of staffing levels within the council as a result of restructures and reorganisation of services and entering into new contractual arrangements for mobile phones, details of which are contained later in this report. A full year of savings as a result of the new contract will be realised in the 2016/17 financial year. The demand for mobile phones and Blackberries continues to remain high as they are essential in supporting the Council's Asset rationalisation programme and are an essential tool in the support for agile working.
1.03	A breakdown of mobile phones by portfolio for the two years is shown in the table below:-

Portfolio	Total staff	Total Mobile Contracts	Annual Total	Average Cost Per Contract
Chief Executives 14/15	58	35 (includes 13 Elected Members)	£7,146	£204
2015 /16	46	34 (includes 11 Elected Members	£5,607	£165
Community and Enterprise 14 /15	416	392	£42,280	£108
2015 /16	396	336	£31,633	£94

Education and Youth 14 /15	329	177	£18,969	£107
15/16	271	161	£15,652	£97
Governance 14 /15	126	34	£3,002	£88
2015 / 16	131	25	£1,745	£70
Organisational Change 1 (Community) 14/15	451	117	£5,792	£50
2015 / 16	416	97	£4511	£46
Organisational Change 2 (Alternative Service Models) 14 /15	207	59	£3,993	£67
2015/16	431	45	£3240	£72
People and Resources 14 / 15	172	34	£5,029	£147
2015 / 2016	173	34	£3,631	£106
Planning and Environment 14/15	168	134	£12,228	£91
2015 /16	177	120	£9,017	£75
Social Services 14/15	1017	805	£78,763	£98
2015/16	975	714	£65,092	£91
Streetscene and Transportation 14/15	537	231	£16,907	£73
2015/16	527	205	£12,821	£63
Total 14/15	3475	1985	£194,109	£98
2015/16	3543	1771	£152,949	£86

The average cost for mobile phones differs between portfolios as this reflects the costs associated with different levels of usage (call cost) and the varying number of Blackberry smartphones used within the portfolios.

1.04	High Usage

As indicated in the previous Audit report mobile phone contracts that had high usage were discussed with the portfolio representatives and this has resulted in a reduction of contract with high usage.

A new contract for mobile phones has been awarded that includes the cost of usage to non-premium rate numbers. When the organisation benefits from a full year of savings, the costs will only be for handset rental and in the case of Blackberries the inclusive data tariff.

An analysis of high annual usage for the two financial years 2014/15 and 2015/16 has been completed and the usage analysis is detailed in the table below:-

Usage Costs (per annum)	£100 - £200	£201 – 300	£301 - £400	£401 +
2014 / 2015				
Number of Mobiles	104	18	4	8
Total Annual Cost	£11,429.19	£4,351.74	£1,365.91	£4,779.03
2015 / 2016				
Number of Mobiles	54	12	3	1
Total Annual Cost	£7,473.37	£2,821.55	£1,042.23	£491.12

1.05

<u>New Contractual Arrangements</u>

As indicated in the previous report the IT Service gave an undertaking to go back out to the market using a central government procurement framework to negotiate a new contract with improved rates. This exercise was completed in August 2015 and resulted in a new contract with the same provider with all the existing mobile phone contracts moving onto the new terms in November 2015. Some of the highlights of the new contract are detailed below:-

- Significant Savings – As a result of the competitive tendering exercise the Council expect to make £111,000 savings per annum in the use of Mobile phones, based on the number of contacts as at 31st August 2015.
- New monthly tariffs - for standard phones the new tariff is £2.20 per month. Whilst this represents a slight increase from the previous contract this new tariff includes unlimited calls to non-premium rate numbers, this represents a shift in the market place for corporate mobile phone contracts where previously it was more cost effective to pay rental and call costs as opposed to inclusive bundles.
- Reduced cost for Blackberries – the monthly cost of each Blackberry smartphone has reduced from £12.00 to £10.20 per month. This is an important consideration as the number of Blackberry phones has risen in line with greater adoption of agile working practices within portfolios.
- Same supplier – The competitive exercise resulted in the selection of the same supplier, this resulted in a smooth transition from one contract to another minimising the disruption to services, timescales to effect the change and resulted in a reduction in the cost of change.

1.06	Policy Development The existing Mobile Phone Policy was reviewed and was found to be out of date and in some parts contradictory. A new simplified Mobile Phone and Smartphone policy has been developed to reflect the advancements in this field and technology. The policy has been out to consultation with Chief Officers, Service Managers and Unions and has been approved.
1.07	Monitoring Use Regular monitoring continues to be undertaken in all portfolios. The distribution of monthly portfolio based costs per contract allows the portfolio representatives to challenge usage and identify contracts that may not be required. In addition, quarterly review meetings are held with all portfolio representatives to review and ensure adherence to procedures and processes.

2.00	**RESOURCE IMPLICATIONS**
2.01	None directly as a result of this report.

3.00	**CONSULTATIONS REQUIRED / CARRIED OUT**
3.01	None required

4.00	**RISK MANAGEMENT**
4.01	No risks as a result of this report. Anti-Poverty Impact None directly as a result of this report. ENVIRONMENTAL IMPACT None directly as a result of this report. EQUALITIES IMPACT None directly as a result of this report.

5.00	**APPENDICES**
5.01	None

6.00	**LIST OF ACCESSIBLE BACKGROUND DOCUMENTS**
6.01	None **Contact Officer:** Aled Griffith **Telephone:** 01352 702801 **E-mail:** xxxx.xxxxxxxx@xxxxxxxxx.xxx.xx

7.00	GLOSSARY OF TERMS
7.01	**(1) Mobile and Smartphone Policy**: A Council policy which covers the use of Mobile phones and Smartphones. **(2) Contract for Mobile Phones:** A commercial agreement between the Council and a supplier of mobile phones typically the agreement last two years. **(3) Mobile Contracts:** Each council mobile phone has its own contract, duration of each is 2 years. All contract benefit from the negotiated terms, conditions and pricing in the **"Contract for Mobile Phones"** **(4) Financial Year:** the period of 12 months commencing on 1 April **(5) Central Government Procurement Framework**: an agreement put in place with a range of providers that enables buyers to place orders for services without running lengthy full tendering exercises. Frameworks aggregate spend across the public sector based on large volumes and result in commercial rates and terms that could not be achieved by a single organisation. **(6) Blackberries or Blackberry Smartphone:** a mobile phone that can be used to make and receive calls and also send and receive Council emails. Also used to provide an electronic calendar function. These functions are integrated with the Council email and calendar solution.