

Report of Principal Strategic Sourcing Officer

Report to Chief Officer, ICT

Date: 8 October 2014

Subject: Approval to waive Contract Procedure Rules 8.1 and 8.2 and enter into a contract with Esendex Limited for the provision of a bulk SMS messaging service.

Are specific electoral Wards affected? If relevant, name(s) of Ward(s):	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Is the decision eligible for Call-In?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number: Appendix number:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

Summary of main issues

1. The Council's has in place a contract with Esendex Limited for the provision of a bulk SMS messaging service, which expires 9th December 2014.
2. There is a requirement to continue the provision of a service to send bulk SMS messages across the Council.
3. The current service has been integrated with systems and procedures within the Council.

Recommendations

4. The Chief Officer, ICT is recommended to approve the waiver of Contract Procedure Rules 8.1 and 8.2 and enter into a 2 (two) year contract with Esendex limited for the provision of a bulk SMS messaging service.

1 Purpose of this report

- 1.1 This report seeks approval from the Chief Officer, ICT to waive Contract Procedure Rules 8.1 and 8.2 and enter into a contract with Esendex Limited for the provision of a bulk SMS messaging service for a period of 2 (two) years.

2 Background information

- 2.1 The existing contract with Esendex Limited for the provision of a bulk SMS messaging services expires on 9th December 2014.
- 2.2 There is a requirement to continue to provide the bulk SMS messaging service.

3 Main issues

- 3.1 The Council has integrated a number of systems and procedures with the current service from Esendex Limited.
- 3.2 Should a contract not be awarded, the Council would be unable to continue to provide a bulk SMS messaging service to directorates.
- 3.3 The Council hold a number of short and long number SMS accounts with Esendex which are used in the community and displayed on literature. A change of supplier would require these numbers to change which would incur additional staff resource and costs in publicising new numbers.
- 3.4 Should another provider be selected, there would be a requirement to amend interfaces with existing ICT systems, which would incur additional staff resource and for some systems will also incur additional costs from those suppliers.
- 3.5 The cost of similar services offered by other providers via the G-Cloud agreement is cheaper but considering the additional resource/cost to change providers, it is not believed the Council would obtain value for money by conducting an open procurement exercise.

4 Corporate Considerations

4.1 Consultation and Engagement

- 4.1.1 The Service owner has been consulted and this report reflects the continuing requirements of a bulk SMS messaging service.

4.2 Equality and Diversity / Cohesion and Integration

- 4.2.1 There are no Equality and Diversity / Cohesion and Integration issues associated with this decision.

4.3 Council Policies and City Priorities

- 4.3.1 The service underpins directorates requirements to meet the City Priorities by providing for the bulk notification by SMS text messaging to members of the public.

4.4 Resources and Value for Money

- 4.5 The cost of similar services offered by other providers via the G-Cloud agreement is cheaper but considering the additional resource/cost to change providers, it is not believed the Council would obtain value for money by conducting an open procurement exercise.
- 4.5.1 The fixed cost of the service is £16,320 per annum, with per-usage charges expected to be in the range of £1000 to £5000 throughout the duration of the agreement (2 years).

4.6 Legal Implications, Access to Information and Call In

- 4.6.1 The value of the service does not fall within the scope of the Public Contract Regulations.
- 4.6.2 The award value is an administrative decision and the waiver of the Contract Procedure Rules is a Significant Operational Decision.

4.7 Risk Management

- 4.7.1 The contract will be managed in accordance with the contract management plan.

5 Conclusions

- 5.1 To ensure the continued provision of a bulk SMS messaging service; and to minimise the overall cost to the Council, the contract should be awarded to Esendex Limited.

6 Recommendations

- 6.1 The Chief Officer, ICT is recommended to approve the waiver of Contract Procedure Rules 8.1 and 8.2 and enter into a contract with Esendex limited for the provision of a bulk SMS messaging service.

7 Background documents

- 7.1 None.