

Report of Business Planning Manager, ICT

Report to Chief Digital Officer

Date: 4th September 2017

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 2017.
2. There is a requirement to continue the provision of a service to send bulk SMS messages across the Council.
3. The current SMS service has been integrated with systems and procedures within the Council and provides a number of unique recognisable numbers used to inform and update members of the public about Council services.

Recommendations

4. The Chief Digital Officer is recommended to approve the waiver of Contract Procedure Rules 8.1 and 8.2 and enter into a 4 (four) 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 Digital Officer 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 4 (four) years.

2. Background information

- 2.1. The SMS service has been provided by Esendex since 2009, renewed on an annual basis. The existing contract with Esendex Limited for the provision of a bulk SMS messaging services expires on 9th December 2017.
- 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 provided by Esendex Limited.
- 3.2. Should a contract not be awarded, the Council would be unable to continue to provide a bulk SMS messaging service currently available to all of the Councils directorates.
- 3.3. The Council hold a number of short and long number SMS accounts with Esendex which are recognised within the community and displayed on literature. These recognisable numbers would need to change should the service move away from Esendex.
- 3.4. Work is being undertaken during the term of this contract to understand the resource and costs involved in changing these short and long numbers.
- 3.5. Work is currently underway to internally develop a simple application which will provide some functionality required to compose and send texts with the view to reducing the need for an external provider.
- 3.6. The renewal proposal provides substantial savings in comparison to previous years with a reduction in the cost per message and a reduction in the monthly account fees.

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 renewal proposal provides substantial savings in comparison to previous years with a reduction in the cost per message and a reduction in the monthly account fees.
- 4.5.1. The fixed cost of the service is £21,792 per annum which will provide 800,000 messages and 64 Virtual Mobile Number accounts. Any messages used above the 800,000 will be charged at the same rate.
- 4.5.2. Esendex will also provide 1 day Technical Consultancy as and when required.

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.
- 4.6.3. There is the potential risk of challenge from other similar organisations interested in providing these services over the contract term but given the relative low value of the contract the risk is believed to be small.

4.7. Risk Management

- 4.7.1. The contract will be managed by the contract manager through review meetings.

5. Conclusions

- 5.1. To ensure the continued provision of a bulk SMS messaging service and avoid the financial and resource costs associated with moving provider the contract should be awarded to Esendex Limited.

6. Recommendations

- 6.1. The Chief Digital Officer 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 for the next four years.

7. Background documents

- 7.1. None.