



**OFFICE OF THE POLICE & CRIME  
COMMISSIONER FOR THAMES VALLEY**

**REQUEST FOR DECISION – PCC 2018 / 017**

**Title: Update report on mobile phones renewal, managed Airwatch service, staging and rollout**

This report updates PCC Decision report PCC 2018 / 007 which was approved in April 2018.

Since then further negotiations with Vodafone have taken place. The new contract is based on 10,000 XCover4 smartphones being rolled out across Hampshire Constabulary (HC) and Thames Valley Police (TVP) in one go during 2019/20.

The total value of the new contract across HC/TVP is estimated at £4,123,051 which, when compared to the current contract, provides a cashable saving of £1,683,374 and a non-cash saving of £251,748. Costs and savings are Split 54.8% (TVP) and 45.2% (HC)

This report should be read alongside the PCC Decision Report PCC 2018 / 007. Full details are provided in Annex 1.

**Recommendation:**

The Police and Crime Commissioner is invited to agree the award of contract to Vodafone in respect of mobile phones renewal including Smartphone purchases, managed Airwatch (Airwatch is a piece of software that manages mobile APPS), staging and rollout to Vodafone using the Crown Commercial Services (CCS) framework RM1045 lot 6 voice and data services. The total contract value across Thames Valley Police (TVP) and Hampshire Constabulary is estimated at £4,123,051. This new contract provides cashable savings of £1,683,374 and a non-cash saving of £251,748 compared to the current contract.

The 2 year contract period is in line with Surrey & Sussex mobile phone contracts with EE and O2, thus allowing us the option to collaborate regionally in the future.

**Police and Crime Commissioner**

I hereby approve the recommendation above.

**Signature**

**Date** 4.2.19

## **PART 1 – NON-CONFIDENTIAL**

### **1 Introduction and Background**

- 1.1 This report needs to be read in conjunction with PCC Decision report PCC 2018/007.
- 1.2 The requirement of this contract is to renew the current mobile phone arrangements, replace the current Microsoft Smartphones and improve mobile device management
- 1.3 The previous decision report was based on an initial tranche of 5,000 Samsung A5 phones being rolled during 2018/19. Further phones would be purchased and rolled out during 2019/20 if required (up to a total of 10,000 phones).
- 1.4 Before the contract was implemented further discussions were held with Vodafone during 2018. The key features from the new contract are:
  - The Samsung A5 phone is discontinued.
  - Following evaluation by TVP/HC the Samsung XCover4 was selected. This has the same basic functionality as the A5 but is cheaper. The retail price is £189 per unit but following negotiation was reduced to £163, providing a saving of £72 per device against the agreed price for the A5
  - The intention is to now buy 10,000 phones (across HC/TVP) and rollout them out in one go during 2018/19.
  - HC/TVP will buy 8,668 phones at a cost of £1,412,884.
  - In addition, 1,332 phones will be provided free of charge through the Vodafone Tech Fund, valued at £251,748 (i.e. 1332 \* £189).
  - The original contract included the sum of £964,800 for licenses and support. The new figure, based on 10,000 phones is £1.312m
  - A saving of £998,278 on data and phone tariffs, which is £13,664 higher than the April contract. Further work has been undertaken to try to protect the force from increased costs due to growth in bundle usage that would have been charged at a retail rate otherwise.
  - Because the phones are now being rolled out in one go there is a saving of £61,000 in set up and device staging costs (i.e. down from £555,175 to circa £494,000)
- 1.5 This is a two year contract that co terms with Surrey and Sussex Commercial arrangements and will enable the 4 forces to go out to tender as a region in 2019 for new services in 2020.
- 1.6 Full details are provided in Annex 1

### **2 Issues for Consideration**

- 2.1 The project has reduced the cost of the current data and phone tariffs, mainly by reducing the amount of the data bundle (although the price per



unit has reduced). The reductions in cost allow us to replace the Microsoft smartphones, previously chosen by ICT, with Android phones.

- 2.2 The aim is to provide the officers with an appropriate handset to which enables them to do their job and is in line with the Mobile Enablement Strategy agreed by the CCMT.

### 3 Financial Comments

- 3.1 The potential value of the contract over the 2 year period is a total of £4,123,051 between both Forces split between both capital and revenue expenditure, plus the use of accrued Vodafone Tech Fund (£251,748 non cash). TVP will expect to contribute 54.8% of the total value - £2,259,432 plus tech fund share, with HC contributing £1,863,619 (45.2%). This split may be adjusted slightly to reflect the rollout of phones between forces.

- 3.2 A summary of the costs and savings is provided below:

Item	Cost	Notes
Voice and data 2 years	902,512	
Purchase of 8,668 phones	1,412,884	Unit price £163
Licenses and support	1,313,200	
Set-up and device staging	494,375	Saving of £61,000 against previous contract
<b>Total cost</b>	<b>4,123,051</b>	

#### Summary of cash savings

Item	Cost	Notes
Data and phone tariffs	998,278	An additional saving of £13,664 since April
Devices	624,096	8,668 phones at £72 (i.e. difference between £235 and £163 per device)
Set-up and device staging	61,000	Saving in project elements by rolling out phones in one go, rather than being phased over 2 years
<b>Total cash savings against current contract</b>	<b>1,683,374</b>	

#### Non-cash savings

Item	Cost	Notes
'Free' devices from Tech Fund	251,748	1,332 phones at £189 (retail price)

### 4 Legal Comments

- 4.1 The contract is let in accordance with Financial regulations with the route to market being the direct award option the CCS framework Network Services RM1045 LOT 6 mobile voice and data services

## 5 Equality Comments

5.1 No specific comments

## 6 Background Papers

6.1 Not applicable.

### Public Access to Information

Information in this form is subject to the Freedom of Information Act 2000 (FOIA) and other legislation. Part 1 of this form will be made available on the website within 1 working day of approval. Any facts and advice that should not be automatically available on request should not be included in Part 1 but instead on a separate Part 2 form. Deferment of publication is only applicable where release before that date would compromise the implementation of the decision being approved.

Is the publication of this form to be deferred? No

If yes, for what reason?  
Until what date?

Is there a Part 2 form? Yes

### ORIGINATING OFFICER DECLARATION (as appropriate):

	Officer	Date reviewed
Head of Procurement	Richard Fowles	16.11.18
Legal Advice	Lisa Sammons	16.11.18
Financial Advice	Linda Waters	4.12.18

### OFFICER'S APPROVAL

We have been consulted about the proposal and confirm that financial and legal advice have been taken into account in the preparation of this report.

We are satisfied that this is an appropriate request to be submitted to the Police and Crime Commissioner.

Chief Executive



Date

4 February 2019

Chief Finance Officer



Date

4-2-19



## Procurement Services

### Gateway B: Procurement Outcome Report

Mobile phones renewal, managed Airwatch service,  
staging and roll out  
Version 4

## Contract Award (and POR) Sign-Off Sheet

*By approving this document the Procurement Governance Board confirms acceptance of the detail contained within this document, approval to proceed with contract award, implementation and realisation of the benefits.  
In the case of a Procurement which results in a new contract (or extension) the document replaces the previous award paper, and has a section for the relevant sign-offs below.*

<b>Contract Title:</b>	Mobile phones renewal, managed Airwatch ,staging and roll out
<b>Procurement Governance Board Approval Date (as minuted)</b>	

<b>Recommendations</b>
The Police and Crime Commissioner is invited to agree the award of contract to Vodafone in respect of mobile phones renewal including Smartphone purchases, managed Airwatch (Airwatch is a piece of software that manages mobile APPS), staging and rollout to Vodafone using the Crown Commercial Services (CCS) framework RM1045 lot 6 voice and data services. The total contract value across Thames valley Police (TVP) and Hampshire Constabulary is estimated at £4,123,051. This new contract provides cashable savings of £1,683,374 and a non-cash saving of £251,748 compared to the current contract.
Please note this is an update of the PCC Decision report published in April 2018 (PCC 2018 – 007).
The 2 year contract period is in line with Surrey & Sussex mobile phone contracts with EE and O2, thus allowing us the option to regionally collaborate in the future



The potential value of the original contract signed in April was £4.552m, potentially rising to £6m depending upon future mobile device roll outs and potential increased bandwidth, plus the use of the accrued Vodafone Tech Fund valued at £0.310m (i.e. a non-cash saving based on 1,000 phones at £310). The elements from this contract were:

- The force selected the Samsung A5 smartphone. The price was negotiated down from £280 to £235 per device
- 5,000 phones would be purchased and rolled out during 2018/19. Further phones would be purchased and rolled out during 2019/20 if required (up to £10,000 phones)
- 4,000 were being purchased at £235 each, costing £940,000.
- The saving against the pre-discount price is £180,000 (i.e. 4,000 phones at £45).
- £1,000 were being provided from the Tech Fund, valued at £310,000 (i.e. 1,000 phones at the original retail price of £310 each)
- The cash saving on current data and phone tariffs was estimated at £984,614 over the two year contract period.
- The potential value of the contract is £4.552m as shown below

Mobile Phone Contract		
Item	Cost	Notes
Voice and Data 2 years	916,176	
Purchase of 4000 phones - year 1	940,000	Unit price £235
Purchase of 5000 phones - year 2	1,175,000	Unit price £235
Set up - phase 1 - year 1 supply	73,000	
Set up - Phase 2 - year 2 supply	12,000	
Licenses and managed service for 2 years	964,800	£3.73 plus £1.63 per device per month (5000 devices for 12 months, 5000 for 12 months staged)
Device staging phase 1 - year 1 (5000 units)	202,875	
Device staging year 2	202,875	
Enhanced support Year 1	64,425	
	<u>4,551,151</u>	
plus Purchase of 1000 phones from tech fund	310,000	Unit price was £310

**Before the contract was implemented, further discussions were held with Vodafone during 2018. The key features from the new contract are:**

- The Samsung A5 phone is discontinued.
- Following evaluation by TVP/HC the Samsung XCover4 was selected. This has the same basic functionality as the A5 but is cheaper. The retail price is £189 per unit but following negotiation was reduced to £163, providing a saving of £72 per device against the agreed price for the A5
- The intention is to now buy 10,000 phones (across HC/TVP) and rollout them out in one go during 2018/19.
- HC/TVP will buy 8,668 phones at a cost of £1,412,884.
- In addition, 1,332 phones will be provided free of charge through the Vodafone Tech Fund, valued at £251,748 (i.e. 1332 \* £189).
- The original contract included the sum of £964,800 for licenses and support. The new figure, based on 10,000 phones is £1.312m
- A saving of £998,278 on data and phone tariffs, which is £13,664 higher than the April contract. Further work has been undertaken to try to protect the force from increased costs due to growth in bundle usage that would have been charged at a retail rate otherwise.
- Because the phones are now being rolled out in one go there is a saving of £61,000 in set up and device staging costs (i.e. down from £555,175 to circa £494,000)

Item	Cost	Notes
Voice and data 2 years	902,512	
Purchase of 8,668 phones	1,412,884	Unit price £163
Licenses and support	1,313,200	
Set-up and device staging	494,375	Saving of £61,000 against previous contract
<b>Total cost</b>	<b>4,123,051</b>	

#### Summary of cash savings

Item	Cost	Notes
Data and phone tariffs	998,278	An additional saving of £13,664 since April
Devices	624,096	8,668 phones at £72 (i.e. difference between £235 and £163 per device)
Set-up and device staging	61,000	Saving in project elements by rolling out phones in one go, rather than being phased over 2 years
<b>Total cash savings against current contract</b>	<b>1,683,374</b>	

#### Non-cash savings

Item	Cost	Notes
'Free' devices from Tech Fund	251,748	1,332 phones at £189 (retail price)



### Contract Award Sign-Off:

In addition to approval by the Procurement Governance Board, the below sign-offs are also required prior to the award of any new contract:

Competitive Process Approval Level	Single Tender Approval Level	Reviewer	1st Approver	2nd Approver
> £1m	> £50k	HoP	Director of Finance	OPCC or PCC
OJEU Level - £1m	£25k - £50k	DoF (if not approver)	Head of Procurement	OPCC or CFO or DoF
£100k - OJEU Level	£10k - £25k	N/A	Procurement Mgr	Head of Procurement
£50k-£100k	N/A	N/A	Procurement Mgr	N/A
£0k-£50k	N/A	N/A	S&CM Specialist or P2P	N/A

Please fill in the below table with the appropriate sign-offs as detailed above.

Approval Role	Name	Job Title	Signature and Sign-Off Date
Reviewer:	Richard Fowles	Head of Procurement	21/3/18
First Approver:	Linda Waters	Director of Finance	27 March 2018
Second Approver:	Anthony Stansfeld	Police and Crime Commissioner	29 March 2018
Revised version reviewer:	Richard Fowles	Head of Procurement	16.11.2018
Revised version First Approver:	Linda Waters	Director of Finance	4.12.18
Revised version Second Approver:	Ian Thompson	PCC Chief Finance Officer	4.2.19

### Executive Summary

This POR recommends a formal award to Vodafone in respect of mobile phones renewal including Smartphone purchases, managed Airwatch, staging and rollout to Vodafone using the CCS framework RM1045 lot 6 voice and data services for a 2 year period. This contract will move TVPHC away from commodity IT to a service orientated model in line with the agreed ICT Strategy.

This will reduce the cost of the current voice and data services, update our Smartphones as Microsoft have discontinued support for their and improve the security of our mobile working through the use of Airwatch mobile device management

### Procurement Governance Board Submission Record

Project Stage	Date Approved by PGB
<input type="checkbox"/> PLD	
<input checked="" type="checkbox"/> POR	

☐ CMR

Summary of Benefits	
Cashable Savings:	<p>Unit cost of the handheld Android device – originally approved at £235 per unit. Now re-specified and negotiated to mean now £163 per unit.</p> <p>Original Quantity to be purchased 5,000. This has now been changed to 8,668 at @£163 and 1,332 devices bought against the Tech Fund (this had lapsed but we have negotiated it being re-instated.) These 10,000 units to be deployed between January and March 2019.</p> <p>This means a total cash saving of £624,096 on devices</p> <p>A further revenue saving of £998,278 has been achieved on the data and phone tariffs. Further work has been undertaken to try to protect the force from increased costs due to growth in bundle usage that would have been charged at a retail rate otherwise.</p> <p>By rolling out the phones in one go project savings of £61,000 can be achieved</p> <p><b><u>Total: £1,683,374</u></b></p>
Non-Cashable Savings:	1,332 phones are being acquired through the Tech Fund. Based on the retail price of £189 per unit this saving equates to £251,748
Other Benefits:	<p>The new XCover4 Smartphones are required as Microsoft are no longer supporting the current Microsoft Lumia Smartphone.</p> <p>Improved user experience.</p> <p>Alignment regionally and Nationally (40+ forces have Samsung devices, AirWatch selected for ESN)</p>
Total Savings as a % of baseline spend:	Data and phone tariffs 52% of £1,864,800 for data and phone tariffs.

*Please store the signed off Gateway documents together to maintain an audit trail throughout the project.*



## Gateway C

### Procurement Outcome Report (POR)

*The purpose of this document is to outline the recommended describe the outcomes of the Project previously approved by the Procurement Governance Board at PLD stage. This Procurement Outcome Report presents the recommended solution and outlines the benefits this will deliver to TVP and implementation requirements to secure delivery and key tasks needed to measure the achievement of the benefits.*

*By approving this document the Procurement Governance Board confirms acceptance of the detail contained within this document, approval to proceed with contract award, implementation and realisation of the benefits.*

**Please note, this document replaces the Contract Award Paper.**

*Please update the information previously provided to the Board as applicable.*

*The below sign-off acts as confirmation from the main stakeholders that they have been consulted in the completion of this document, including acceptance that the recommendation meets business requirements, was compliant to EU Procurement Regulations and provides the most economically advantageous solution for TVP*

Role	Name/Job Title	Signature and Sign-Off Date
Project Sponsor	Geoff King	23/03/2018
Procurement Business Partner	George Tait	22/03/2018
Procurement Lead	Chris Dent	23/03/2018
Head of Unit	Richard Fowles	23/03/2018
TVP Finance	John Matthews	27/3/2018
Procurement Manager	Chris Dent	15/11/2018
Procurement Business Partner	Dino Tsagris	15/11/2018
Project Sponsor	Geoff King	15/11/2018
Head of Unit	Richard Fowles	16.11.2018
TVP Finance	John Matthews	22.11.2018

#### Public access to information

Information in this POR is subject to the Freedom of Information Act 2000 (FOIA) and other legislation. Part 1 of this form will be made available on the website within 1 working day of approval. Any facts and advice that should not be automatically available on request should not be included in Part 1 but instead on a separate Part 2 form. Deferment of publication is only applicable where release before that date would compromise the implementation of the decision being approved.

**Is the publication of this form to be deferred?** no

**If yes, for what reason?** E.g. Alcatel period

**Until what date?**



## Part 1 – For publication on Intranet Site

Proposed Supplier (s)	Vodafone
Planned Contract Start Date	07 – 01 – 2019 (subject to successful trial and testing of the new XCover4 Android devices)
Contract Durations (months)	January 2021
Contract Extensions Available (months)	n/a
Total Contract Value (over full contract period including extension options)	<b>£4,123,051.00</b> (which includes the costs of purchasing 8,668 devices) plus the use of £251,756.90 from the Tech Fund , this will be used to purchase the remaining 1,332 devices) as well as deployment, staging and roll out costs

Project Savings	
<b>Baseline Spend</b> (highlight any changes to information provided in PID/PLD)	£1,864,800 for data and phone tariffs (includes technical fund) Phone costs and Airwatch costs are additional to current arrangements
<b>Savings Enabled:</b> Detail at High, Low and Expected level if the savings are likely to be variable e.g. based on demand.  Include Annual & Total Contract Savings	Please complete the POR Savings Analysis using the Project Governance Worksheet Final figure should be referenced from there and the completed template presented as part of the POR proposal.  Savings on data and phone tariffs total up to <b>£998,278</b> (excluding impact of Tech Fund and subject to data usage, to be confirmed at the end of pilot and bundle could be re-adjusted to protect for out of plan charges) Reduction negotiated in Smartphone price = £624,096, plus use of Tech Fund valued at £251,748 Project savings of circa £61,000 Total cash savings: £1,683,374 Non-cash savings (Tech Fund): £251,748
<b>Savings Start Date</b>	7/1/19
<b>Savings Types</b> (based on Savings Definitions in Savings Analysis Worksheet)	£998,278 cashable in revenue over 2 years £936,844 Capital

Scope and Requirements
Copy these from previous gateway documents and highlight any changes
The requirement of this contract is to renew the current mobile phone arrangements, replace the current Microsoft Smartphones and improve mobile device management



As of July 11, 2017, Windows Phone 8.1 users were no longer eligible to receive new security updates, non-security hotfixes, free assisted support options, or online technical content updates from Microsoft for free so the decision was taken to replace the current depreciated Smartphones and move to Android phones in line with the Mobility Strategy. Initially, the mobile device chosen to replace the current estate was the Samsung A5 device. However, in June this year it was discovered that this device was to be made obsolete, thus giving an unacceptable warranty lifecycle. The project working group, which included front line officers, reconvened once again undertook an assessment session of suitable mobile devices. The group made the decision the Samsung X-Cover 4 device, best fit the Forces requirement, with its fast processor, excellent screen quality, ruggedized shell (seen as a real benefit by the Officers) and the ability to swap out the battery.

Vodafone have been selected to provide a Managed Mobility service against a set of requirements and as such have taken a technology agnostic approach to the Enterprise Mobility Management (EMM) toolset. However, as part of Vodafone's due diligence they provided a number of options and their rationale for selecting "Airwatch" is because it is the best fit against our requirements including price and alignment to the product selected for ESMCP.

The AirWatch Portal should enable a channel shift from the service desk to self-service reducing call volumes and officer inconvenience.

This is a two year contract that co terms with Surrey and Sussex Commercial arrangements and will enable the 4 forces to go out to tender as a region in 2019 for new services in 2020.

### Summary of Approach

*Provide overview of approach and outline any changes to approached previously agreed*

The summary of approach is a direct award to Vodafone using the direct award option available under the CCS Network Services RM1045 framework Lot 6 mobile voice and data. To ensure Value for Money was being achieved via the direct award the tariff charges were compared over a range of volumes with other competitive offers available to the police service. The Vodafone offering was benchmarked against the national deals available from EE, O2 and Vodafone negotiated by CCS/Police ICT. The Vodafone deal offered the best value for money to TVP/Hants with the additional protection that Vodafone have agreed that they would migrate our deal to any police national deal that offered better value.

The 5000 Samsung A5 phones are required to replace the current Microsoft smartphones which are no longer supported by Microsoft and have been chosen after testing by ICT.

The Samsung A5 phone were discontinued with the Supplier and alternative options were offered. The business selected the XCover4 as a suitable device for both Police Officers and Staff. Vodafone offered the devices at £195 per devices and this was subsequently negotiated down to £163 per device

Update 10/11/2018:

ICT are recommending the roll out of 10,000 XCover devices. The device allocation will not be based on the E&E work, but will be distributed to authorised users in prioritised roles. The HR data and asset management work is still ongoing to confirm the final headcount for prioritised users and this is due on the 16<sup>th</sup>. E&E can continue to reduce active lines and drive out efficiencies using the same methods we have been discussing.



Provisional Numbers for authorised head count for the Android devices are below. Hampshire is working from July data as we are still awaiting the latest figures from HR (HCC based 6 week turnaround). They have added 10% for tolerance as we know at least 80 new job titles alone have been added since the July data was produced.

This is not confirmed as yet as still needs to be signed off in each Force.

5,480 TVP

3,700 +10% = 4,070 HC

9,550 total + 5% hot swap

ICT are happy to reduce to 2.5% hot swap (250) So we are almost perfectly aligned with the 10k order with some tolerance to cater for appeals and new starters

### Achievement of project objectives

*Describe extent to which the original objectives have been achieved*

The project has reduced the cost of the current data and phone tariffs, mainly by reducing the amount of the data bundle (although the price per unit has reduced). The reductions in cost allow us to replace the Microsoft smartphones, previously chosen by ICT, with Android phones.

The aim is to provide the officers with an appropriate handset to which enables them to do their job and is in line with the Mobile Enablement Strategy agreed by CCMT

### Legal Comments

The contract is let in accordance with Financial regulations with the route to market being the direct award option the CCS framework Network Services RM1045 LOT 6 mobile voice and data services

### Project Benefits

*Detail all financial and non-financial benefits delivered by the project*

The Voice and Data revenue costs will come down by around £40,000 a month – subject to data usage. The contract covers up to 4TB per month, this could increase however the rates are good and the potential understood. This saving has not been previously recognised in the accounts and will be available as a budget reduction for future budget rounds.

During the 2<sup>nd</sup> phase of negotiations it became apparent that the business has been using on average 6TB data a month. The new offer ensures that a quarterly true up will take place and if the actual data usage exceeds the 4TB bundle agreed, any additional TB up to 6.5TB will be charged at a flat rate of £3,700 per month, instead of £12.77 per GB (or £12,770 per TB) representing an saving of £9070 per TB), based on 24 additional TB a year = £108,840 cost avoidance

We will replace the current Smartphones with android phones to allow improved digital working

The Airwatch Mobile Data Management will provide improved security for mobile working



### Financial Implications

*Detail any budgetary constraints and any financial implications of the new arrangement*

The revenue costs should fall by around £40k a month over the 24 months of the contract and this can be reflected in future budgets. This is largely due to how the purchase of phones is financed – previously through the tech fund – now through capital.

The additional costs of the Airwatch managed Service are built into the capital and revenue budgets under the Managed Mobility Service project.

### Equality Comments

*Summary of Diversity Impact Assessment*

N/a

Background documents

Android Project October 2017

Managed Mobility Services December 2017

Deputy's Bi-Lateral Collaboration Board December 2017 minutes

