

Section 221 of the *Local Government Regulation 2012* stipulates that a Significant Contracting Plan must be prepared prior to commencement of a contract that Council has identified as a Significant Contract. Council may, by resolution, amend a Significant Contracting Plan at any time before the end of the financial year to which the plan relates.

### 1. Key Information

Significant Contract Title: Telecommunications Services

Group: Business Performance

Branch: Digital and Information Systems

Contract Administrator: Mark Reynolds

Position: Customer Service and IT Delivery Manager

Procurement Specialist: Sarah Wood

Contract/Project Description: Solutions for telecommunication services, including mobile, data, and physical network.

Link to Procurement Plan: D2018/2025800

### 2. Council Resolutions

Previous Council resolutions:

N/A

This plan endorsed by Council:

### 3. Background

Telecommunication services are an integral part of Council's ability to operate for day-to-day functions, and in emergency situations.

The existing contract for these services is month-to-month and a new contract is required for these services. Taking this contract out to public tender has been identified as the best way to achieve the most advantageous outcome to Council for telecommunications services by testing the market.

The following services are required under this contract:

- Mobile Products and Services
- IP Telephony and Fixed Voice
- Public WiFi
- SMS Gateway
- Network Equipment
- Network Data Services
- Two Way Radio Services
- Customer Contact Solution
- Telecom Expense Management Solution
- Mobile Device Management Solution
- Professional Services and other relevant Services

### 4. Objectives

What are the objectives of this contract?

To ensure reliable ongoing telecommunication services for Council, and achieve value for money for those services.

How will objectives be achieved?

Going out to the open market to obtain competitive pricing, then conducting appropriate testing with preferred supplier(s) to ensure coverage and reliability.

How will achievement of objectives be measured?

Analysis of pricing from competing companies and benchmarking against industry.

What are the alternative ways of achieving the objectives? Include reasons for not adopting alternative ways.

There is a Local Buy Arrangement for Telecommunication Services that Council can access. Advice has been received from an external consultant that going out to a competitive public tender would be a better approach to achieve the desired outcomes.

## 5. Proposed category and contractual arrangements

Which category does this contract fall within?

ICT (Capital and Services)

Which contractual arrangements should be applied to this contract, and why?

QITC/IT Services

Draft QITC contract(s) will go out as part of the procurement package, external legal services are engaged.

## 6. Market and Risk Assessment

Provide an assessment of the market in which the contract is to happen, including an assessment of any procurement risks. Refer to the Risk Assessment Calculator in the Procurement Plan.

There are many reputable suppliers nationally. While Council has not tendered for these services previously, it is anticipated that a strong response will be provided from the market. The incumbent contractor has an established local presence, as do a number of their competitive providers.

Procurement risks identified:

1. Council are unable to define the requirements due to the complexity of the categories and failure to identify potential sources / suppliers;
2. Insufficient time for potential respondents to respond to the tender due to the complexity of the categories;
3. Non acceptance of terms and conditions based on QITC.

Proposed mitigations for identified risks:

1. Council has appointed a Project Officer to develop the specifications for this tender, with input from the subject matter experts across the categories, to ensure that it meets the requirements.
2. This tender will be advertised in the IT Section of the Australian newspaper, as well as through the QTender site, as well as direct contact with known suppliers.
3. Council's Strategic Contracting Procedures outline the requirement of allowing sufficient time for respondents to prepare and submit a tender. Potential respondents will be provided 24 days to respond to the tender, more than the minimum timeframes outlined in the Strategic Contracting Procedures.

Undertake an assessment of operational risks relating to the contract/project. Attach details.

Due to the operational impacts associated with the outcome of the tender, a transition plan will be required for each category to ensure a smooth transition period is achieved with minimal business disruption.

Each category will also have a specific project management plan.

**Approvals (prior to resolution)**

| Position                              | Name  | Signature  | Date       |
|---------------------------------------|---|--|------------|
| Manager, (of Branch seeking contract) | Scott Asmus<br>Head of IT<br>Digital & Information Services |  | 30/5/19    |
| Manager, Business & Innovation        | Paul Skillen  |  | 31/05/2019 |

