

**FLINTSHIRE COUNTY COUNCIL**

**REPORT TO:**           **AUDIT COMMITTEE**

**DATE:**               **WEDNESDAY, 3 JUNE 2015**

**REPORT BY:**       **CHIEF OFFICER (GOVERNANCE)**

**SUBJECT:**           **AUDIT REPORT ON MOBILE 'PHONES**

**1.00**   **PURPOSE OF REPORT**

**1.01**   To provide information relating to the use and cost of mobile phones by officers and elected members of the Council.

**2.00**   **BACKGROUND**

**2.01**   Flintshire County Council currently uses Vodafone corporate to provide its mobile phone contracts and associated mobile services.

This contract is let and managed by the IT Division within the Governance portfolio. The current contract was entered into in October 2013.

Information provided in the report has been taken from last financial year 2014/15.

Costs and usage associated with data sims cards used in traffic lights, ipads, laptops, etc. have been excluded with the exception of the recently procured devices to support the housing repairs mobile working project (as these are also used as mobile phones).

**3.00**   **CONSIDERATIONS**

**3.01**   A recent audit of mobile phone contracts used by the council showed that there were 2257 active contracts. A recent review of mobile phones has been undertaken where service managers have been challenged on the requirement for every mobile phone. This has resulted in a reduction of 513 mobile phone contracts. This reduction will deliver, as a minimum, a saving of £12,288 per annum (the actual predicted saving will be given as a verbal update to the Audit Committee meeting on June 3<sup>rd</sup>)

A breakdown of mobile phones by portfolio is shown in the table below:-

Portfolio	Total staff	Total Mobile Contracts	Annual Total	Average Cost Per Contract
Chief Executives	58	35 (includes 13 Elected Members)	£7,146	£204
Community and Enterprise	416	392	£42,280	£108
Education and Youth	329	177	£18,969	£107
Governance	126	34	£3,002	£88
Organisational Change 1 (Community)	451	59	£5792	£98
Organisational Change 2 (Alternative Service Models)	207	117	£3,993	£34
People and Resources	172	34	£2,029	£60
Planning and Environment	168	134	£12,228	£91
Social Services	1017	805	£78,763	£98
Streetscene and Transportation	537	231	£16,907	£73
Total	3475	1985	£191,109	£96

The number of mobile phone contracts detailed above is correct as at 31<sup>st</sup> March 2015.

The above cost includes line rental and usage costs.

There has been an increase in the number of mobile phones due to the rollout of a mobile working project for housing repairs and teams adopting agile working. These are included in the figures above.

### **3.02** Allocation of Mobile Phones

Mobile phone contracts are requested by service managers and approved by Chief Officers in accordance with the mobile phone policy. This policy provides criteria by which mobile phones will be provided. To receive a mobile phone one of the following criteria must be satisfied:-

- the requirement to be contactable for operational reasons whilst away from the office
- have contractual “on call” arrangements
- have been designated as needing a mobile phone to maintain personal safety.

### **3.03** Costs

The current cost of a standard mobile phone contract is £2.00 per month and this includes the provision of a standard phone. Costs for Blackberry are £12.00 per calendar month and includes the provision of a Blackberry phone and data usage. All calls are charged on a per

call basis at a rate of between 2p and 4.5p per minute depending on the type of number called.

Each contract has a duration of 24 months.

### **3.04** High Usage

An analysis of annual usage for the Financial year 2014/15 has been completed and the usage analysis is detailed in the table below:-

Usage Costs (per annum)	£100 - £200	£201 – 300	£301 - £400	£401 +
Number of Mobiles	104	18	4	8
Total Annual Cost	£11,429.19	£4,351.74	£1,365.91	£4,779.03

The mobile phone contracts that have high usage are currently being discussed with the portfolio representatives so there can be further scrutiny of usage.

Consideration could be given to the use of contracts with inclusive minutes, however our current contract does not include any plans with inclusive minutes. Sometime ago the council did have bundled minute contracts but analysis indicated that "pay as you go" type contracts were a more cost effective approach when considering the call costs across the whole council.

### **3.05** Low Usage

During the recent mobile phones audit a number of contracts were identified as being active and no calls had been made. There are a number of reasons for this including contracts for providing data only sims (used for various purposes), sim cards only used for fault notification, where the officer needs to be contactable away from their work base, provided to maintain personal safety and where the phone is no longer required. The last reason is the one of most concern and has been addressed through the completion of the thorough review and improvements in the processes introduced to identify contracts that are no longer required.

### **3.06** Monitoring Use

Designated officers within the portfolios are provided with a spreadsheet on a monthly basis that indicates the cost of each mobile contract within their portfolio. This indicates the line rental and usage costs incurred by that mobile. This allows the representatives to identify and highlight to service managers mobile phones that have excessive use. Detailed call by call itemised bills can be requested from the Governance Administration team.

### **3.07** Mobiles No Longer Required

When a mobile phone is no longer required the service manager should inform the portfolio mobile phone representative who will then arrange for its collection and return to the Governance Administration team. If the mobile phone is out of contract then the contract is terminated otherwise it is reused elsewhere in the Council.

It has been identified that occasionally the notification step has not been undertaken. In order to cater for this a procedure has been put in place where a list is produced from the payroll system detailing staff who are leaving the authority, this is sent through to each of the mobile phone representatives for checking/action.

### **3.08** Process Improvements

The outcomes of the recent mobile phones audit and subsequent attention following the report has led to a number of improvements in the processes and procedures. The large number of the recommendations contained in the audit report have been implemented and there are plans in place to address those still outstanding.

Regular monitoring is 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.

### **3.09** Next Steps

Following the recent review of mobile phone requirements the council is preparing to go back out to the market using a central government procurement framework to negotiate a new contract with improved rates. Usage figures will be used to assist with this and consideration will be given to the use of inclusive tariffs during this exercise. Estimated timescales for completion of this exercise is end July 2015.

## **4.00** RECOMMENDATIONS

The committee is requested to consider the report.

## **5.00** FINANCIAL IMPLICATIONS

None directly as a result of this report.

## **6.00** ANTI POVERTY IMPACT

None directly as a result of this report.

**7.00 ENVIRONMENTAL IMPACT**

None directly as a result of this report.

**8.00 EQUALITIES IMPACT**

None directly as a result of this report.

**9.00 PERSONNEL IMPLICATIONS**

None directly as a result of this report.

**10.00 CONSULTATION REQUIRED**

None required

**11.00 CONSULTATION UNDERTAKEN**

None required

**12.00 APPENDICES**

None

**LOCAL GOVERNMENT (ACCESS TO INFORMATION ACT) 1985  
BACKGROUND DOCUMENTS**

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