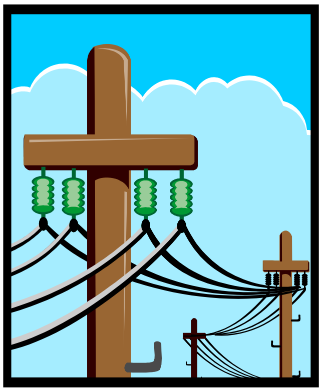
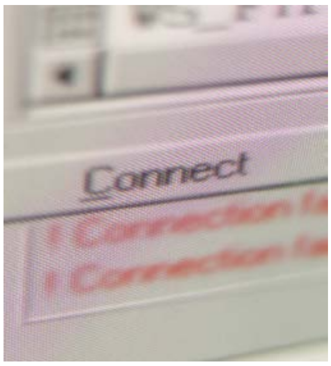
Telecommunications

Category Management Review and Strategy

David Lamb

March 2016





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Section A: Introduction Overview – Category Management

1. Category Management

1.1 Category Management requires proactive and interactive management between all parties, including the NWUPC Category Manager, NWUPC members National Telecoms Group and especially the Telecoms Category Group, Tender Working Party Members, Suppliers and other participating consortia and stakeholders.

1.2 Category Management will focus on managing the Telecoms Category area to ensure that the EU tendered Framework Agreements put in place provide best value and cover the required product areas in the interest of all key stakeholders. The benefits to participating members include but are not limited to the range of agreements on offer, the ease of use and guidance provided to assist in the use of those agreements offered, savings achieved both in terms of monetary and process savings, continuous improvement year-on-year so that value for money is maximised.

2. Key Stakeholders

2.1 The key stakeholders are identified below:

Stakeholder	Support Type	Influence Type	Action	Drivers
Procurement Manager	Support	Decision Maker	Key Player	Value for Money, Compliance
Finance Director	Interest	Influencer	Keep Satisfied	Whole Life Cost, Savings
Estates Director	Support	Decision Maker	Key Player	Specification, Continuity of Supply
Technical Specialist	Champion	Advisor	Key Player	Specification, Fitness for Purpose
Supplier	Support	Interest	Keep Informed	Brand, Contract Value, Growth
Legal	Opponent	Influencer	Keep Satisfied	Compliance, Terms & Conditions
Marketing	Support	Support	Minimal Effort	Features, Benefits, Suppliers
Other Consortia	Champion	Support	Keep Informed	Access, Suppliers, Features, Benefits
Management Board	Support	Interest	Keep Informed	Compliance, Appropriateness
Institutional Contract Managers	Champion	Advisor	Key Player	Specification, Continuity of Supply, Whole Life Cost Savings, Ease of Use
Sub Groups / Tender Working Parties	Champion / Support	Advisor	Key Player	Specification, Continuity of Supply, Whole Life Cost Savings, Ease of Use
Category Group Members	Champion / Support	Support	Keep Satisfied	Specification, Continuity of Supply, Whole Life Cycle Cost Saving, Ease of Use
NWUPC Members as a Whole	Support	Influencer	Keep Satisfied	Specification, Continuity of Supply, Whole Life Cycle Cost Saving, Ease of Use

Section B: Summary of Telecoms Agreements

1. Telecoms Framework Agreements in Place

1.1 All the agreements falling under the NWUPC Telecoms Category Group have been tendered. The agreements in place are:

1.1.1 Telecoms Equipment (NWUPC)

1.1.2 PSN Services – Mobile Voice and Data Services (CCS)

1.1.3 Network Services (CCS)

1.1.4 Generic and Proprietary SIP and IP Handsets, Licences and Telephony Systems (APUC)

1.1.5 Telephony Dynamic Purchasing System (Jisc)

1.1.6 Telephony Purchasing System (LUPC)

1.1.7 Txt Short Messages (SMS) (LUPC)

1.1.8 Transmission Services and Infrastructure (LUPC)

1.1.9 Routing and Switching Equipment (Jisc)

1.2.0 Networking – Supply and Services (NEUPC)

1.2.1 Structured Cabling (CPC)

1.2.2 Data Centre Management Equipment and Infrastructure (NEUPC)*

1.2.3 Data Centre and Cloud Services (Jisc)*

1.2.4 Shared Datacentre (Jisc)*

*Note: items 1.2.2 to 1.2.4 inclusive are managed by the Computer Category Group but can be accessed by the Telecoms Category Group as and when required.

2. Contract Managers and Tender Working Party by Agreement

2.1 David Lamb is the NWUPC Category Manager for the Telecoms Category Group. Externally there are a range of contract managers and sub group members in place, who assist with the technical contract management of the agreements put in place. This encourages buy in, to the framework agreements on offer as members see the agreement managed by them for them. Details of the contract managers and the agreements they manage are listed below.

Framework Agreement	Contract Manager	Email Address	Participating Consortia
Telecoms Equipment	David Lamb	David.lamb@liverpool.ac.uk	All Consortia
PSN Services	Ian Ross	Ian.ross@manchester.ac.uk	NWUPC, NEUPC, APUC
Network Services	David Lamb	David.lamb@liverpool.ac.uk	NWUPC
Generic & Proprietary SIP & IP	David Lamb	David.lamb@liverpool.ac.uk	APUC, NWUPC, NEUPC, HEPCW SUPC
Telephony Dynamic Purchasing	Ian Ross	Ian.ross@manchester.ac.uk	NWUPC
Telephony Purchasing System	Ian Ross	Ian.ross@manchester.ac.uk	NWUPC
Txt Short Messages (SMS)	Ian Ross	Ian.ross@manchester.ac.uk	NWUPC
Transmission Services & Infrastructure	Mike Kilner	m.kilner@lupc.ac.uk	All Consortia

Routing and Switching	Ian Ross	Ian.ross@manchester.ac.uk	NWUPC
Networking & Supply Services	Rachel Lunn	r.lunn@leeds.ac.uk	All Consortia
Structured Cabling	David Lamb	David.lamb@liverpool.ac.uk	NWUPC
Data Centre Management	Rachel Lunn	r.lunn@leeds.ac.uk	NWUPC
Data Centre and Cloud Services	Ian Ross	Ian.ross@manchester.ac.uk	All Consortia
Shared Datacentre	Mike Kilner	m.kilner@lupc.ac.uk	All Consortia

2.2 The Tender Working Parties or Sub Groups are key to the success of the NWUPC framework agreements put in place. The tender working parties have a high level of involvement in the tender process. The Tender Working Party Representative as at March 2016 are shown below:

Tender Working Party Representatives.

Name	Job Title	Organisation
David Lamb	Training and Category Manager	NWUPC
Ian Ross	Contracts Director	NWUPC
Mike Kilner	Senior Contracts Manager	LUPC
Mark Franklin		Sheffield
Rachel Lunn	Procurement Manager	NEUPC
Carli Thorpe	Contracts Manager	SUPC

3. Suppliers by Framework Agreement

3.1 The suppliers by agreement are shown below.

Suppliers by Framework

Framework Agreement	Suppliers
Telecoms Equipment	Corporate Direct (Europe) Ltd, Handset Solutions Ltd, Communications Solutions UK Ltd, BT Business Direct, Blue Helix, TES Ltd, Radiocoms Systems Ltd
PSN Services	Capita Business Services, EE, Freedom Communications (UK)Ltd, KCOM Group plc, O2 Telefonica, Vodafone
Network Services	58 Suppliers – see website for full list
Generic & Proprietary SIP & IP	Rocom, BT, Daisy Group plc, Intercall, Exactive Ltd, Exchange Communications Ltd
Telephony Dynamic Purchasing	ADA Networks, APR Telecoms, Damovo UK Ltd, ETS Communications Ltd, Evolve, Focus Group, Freedom Communications (UK) Ltd, Gamma, Maintel Voice & Data Ltd, MPS Network, Oglivie Communications, Pennine Telecom Ltd, Pivotal Networks, Redcentric Solutions Ltd, Rocom, Simplecall Business Telecoms World plc, Vodafone, Voicenet Solutions Ltd
Telephony Purchasing System	ADA Networks, Aerial Telephones, Alternative Networks plc, Britannic Technologies Ltd, Evolve, Focus Group, Freedom Communications (UK) Ltd, Gamma Telecom, Maintel Voice & Data Ltd, Network Connect Ltd, Pivotal Networks
Txt Short Messages (SMS)	PageOne Communications Ltd
Transmission Services & Infrastructure	Adept Telecom plc,Daisy Communiactions, Easynet Ltd, Exponential-e Ltd, KCOM, Keycom, LUNS Ltd, Onyx, Pinacl Solutions UK Ltd, SSE Telecoms, Surf Telecom, TNP, Virgin Media Business, Vodafone, Westica Communications Ltd Concept Solutions People, Gamma Telecom,
Routing and Switching	Ampito, Khipu Networks, Pervasive Networks Ltd, Redcentric Solutions Ltd, Logicalis, BT IT Services, Kelway, ADA Networks, European Electronique Ltd, Mason IT, Alternative Networks plc, Imtech ICT Ltd, Xchanging, AIT Partnership, Capita, Dell Computers Corporation Ltd, Dimension data Network Services, Softcat, Pjeonix
Networking & Supply Services	BT IT Services, DTP Group, European Electronique Ltd, Insight Direct (UK) Ltd, Logicalis Ltd, Softcat, XMA Ltd, Pervasive Networks Ltd, 4C Strategies Ltd, Centerprise International Ltd, Kelway, PTS Consulting Partners LLP, TNP, Watersons Ltd
Structured Cabling	Boston Networks Ltd, Dimensions Data Advanced Infrastructure Ltd, INS Sudlows Ltd, ISG Technology Ltd, KNI (Kedington Northern Ireland), Lanway Corp Bus Systems Ltd,

	NCS Technology
Data Centre Management	2BM Ltd, APT (Advanced Power Technology Ltd), Cannon Technologies, Future-Tech SCI, Insight Direct (UK) Ltd, Keysource Ltd, Robert M Donaldson Ltd, Workspace Technology
Data Centre and Cloud Services	Capita Business Services, Dell Computers Corporation Ltd, Eduserv., Fujitsu Services Limited, HP (Enterprise), Liberata UK Limited, Logicalis Ltd, Verizon Business
Shared Datacentre	ISDC Developments (No.5) Ltd

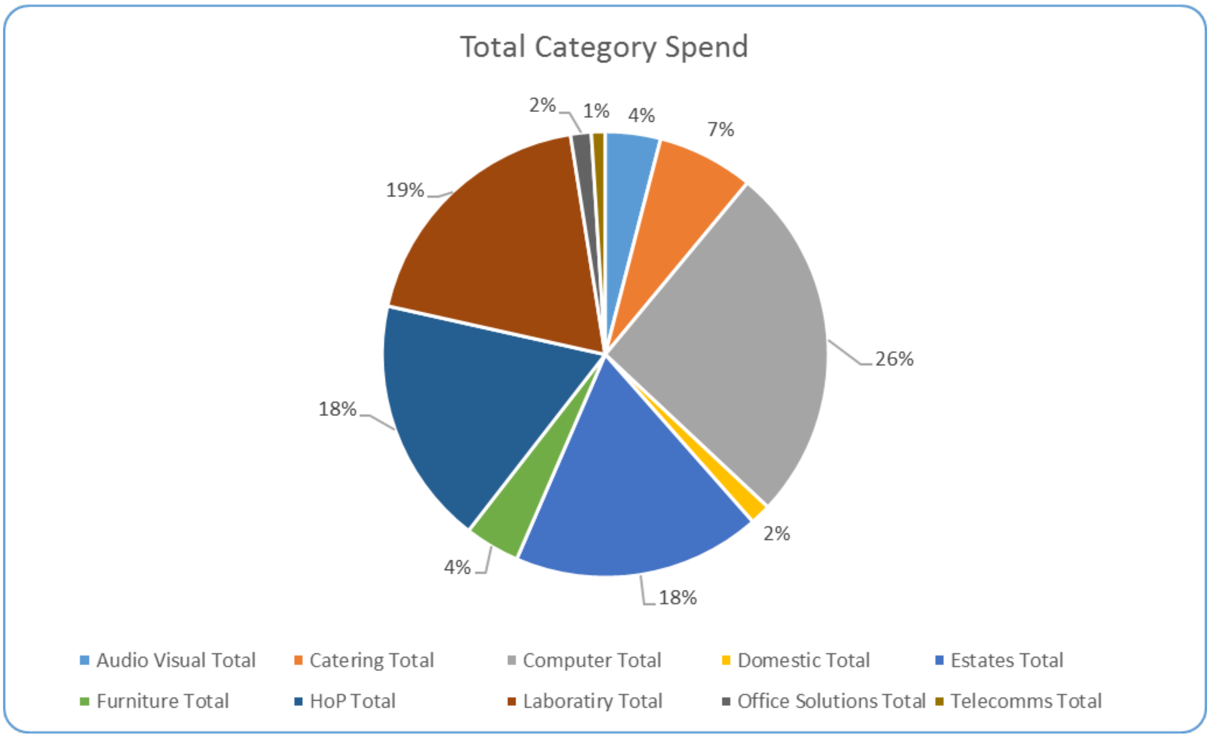
Section C: Category Group Programme

1. Joint Contracting Programme

1.1 The NWUPC Contracting Programme is made up of 10 category areas which includes both NWUPC let agreements and agreements tendered through the Joint Contracting Programme and other sources.

1.2 The Telecoms Category Group as a percentage share of the overall joint contracting programme can be seen to account for 1% of member spend shown below.

NWUPC Member Spend Aug 2011 to July 2012 by Category Area



Although the Telecommunication Category only contributes 1% of the annual turnover, the individual agreements and the importance and contribution of the products and services provided to institutions is vital to their operational success.

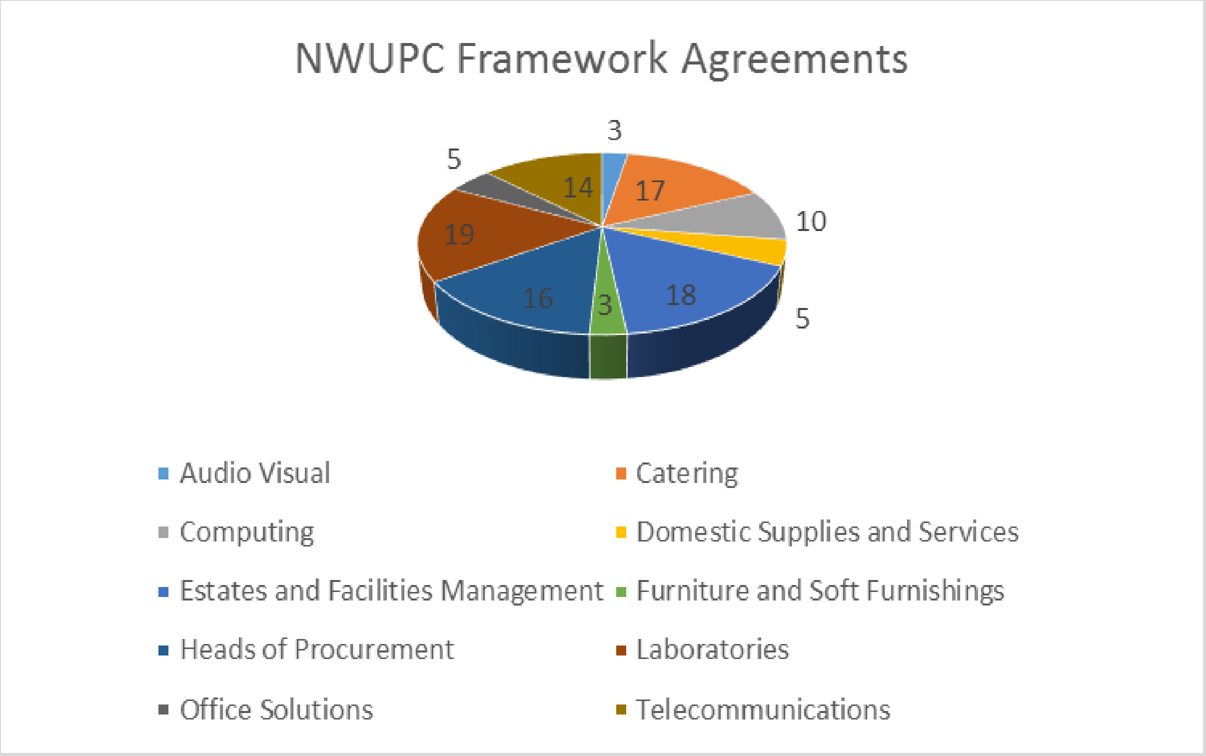
Section D: NWUPC Framework Agreements

1. The Telecoms Category Group and the Contracting Programme

1.1 The contracting programme extends over 105 framework agreements, 14 of which fall under the Telecoms Category Group.

1.1 The Telecoms Category Group as a percentage share of the Contracting Programme, i.e. those agreements tendered by the NWUPC and those adopted as part of our collaborative programme can be seen to account for 15.5% of the framework agreements on the Contracting Programme.

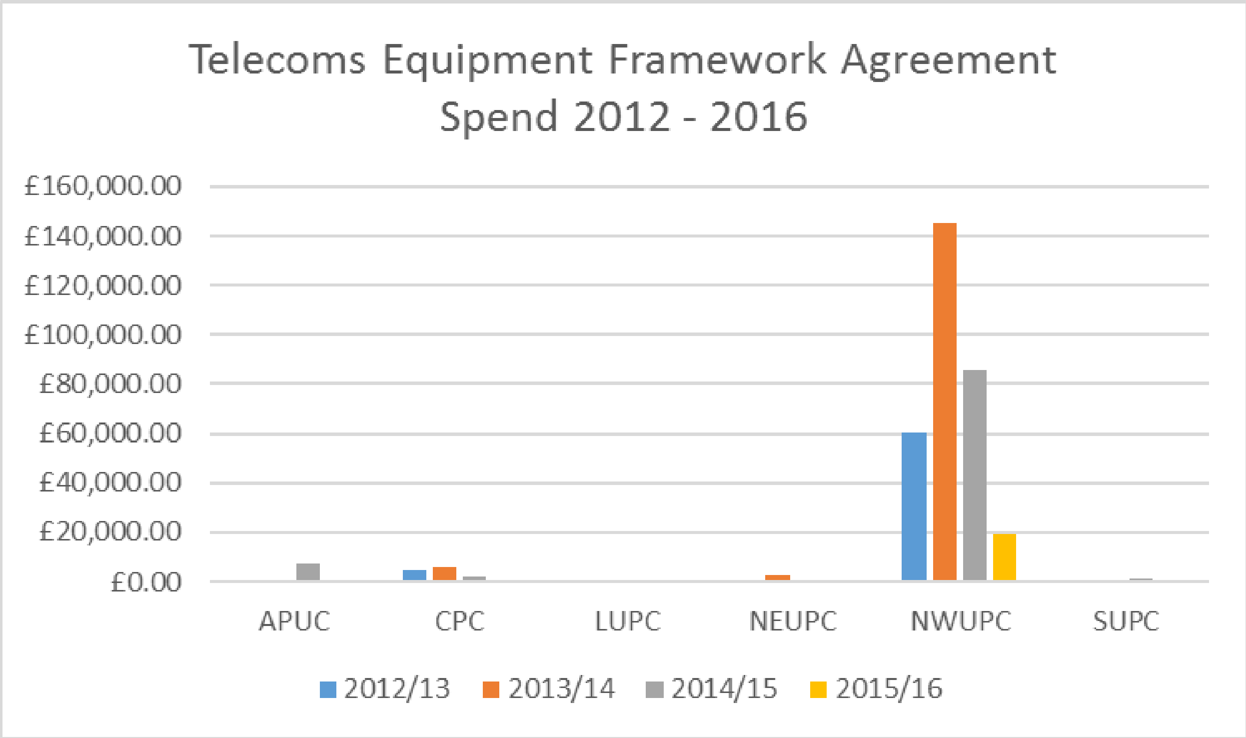
NWUPC Category Group Framework Agreements.



2. The Telecoms Category Group Spend Analysis

2.1 It should be noted the spend information for the framework agreements adopted as part of NWUPC's collaborative programme is currently under review and not included in this document. When the review has been completed, the information will be included in the revised version of this document.

Telecoms Equipment Framework Agreement Spend



Note the spend for 2015/16 is for quarter 1 only; the spend information is from the Hunter database

Section E: Spend Analysis by Framework Agreement

1. Telecoms Equipment

1.1 Spend for the Telecoms Equipment Consumables was remained low for the other consortia over the course of the agreement. NWUPC members spend has on average remained fairly static at between £60,000 and £80,000 for the period of the agreement – it peaked during 2013/14 at just over £140,000.

1.2 Analysis of the remaining framework agreements for this category will be included in the next revised version of this document, when the spend information becomes available.

Section F: Income Generation

1. NWUPC Organisation

1.1 Established in 1976 the NWUPC is a not for profit organisation working on behalf of its members. The NWUPC has 46 members in total of which 22 are Full HE Institutions members, 5 Associate members and 19 affiliate members. Full members cover North West England, North Wales, Northern Ireland and Worcester.

2. Telecoms Category Group Income

2.1 Funding for NWUPC's activities comes in part from a marketing rebate built into the majority of NWUPC let agreements along with income generated from membership subscriptions.

2.2 All of the NWUPC let tenders in the Telecoms Category area have the normal NWUPC rate of marketing premium as agreed by the Board. Any future agreements let by NWUPC, regional, inter-regional or UK wide would also have such a marketing premium.

Section G: Strategic Analysis – Telecoms Category Overall

1. SWOT Analysis

1.1 A SWOT Analysis is a structured method used to evaluate the **S**trengths, **W**eaknesses, **O**pportunities, and **T**hreats involved in a project, category or organisation. A SWOT analysis looks at the Strengths and Weaknesses internally for an organisation and the Opportunity and Threats Externally. A SWOT Analysis for the Telecoms category Area can be seen below. For clarity the SWOT analysis defines internal to be the NWUPC organisation and NWUPC members. External is to include other consortia, the Joint Contracting Group, national level trends and policies, and the wider marketplace.

Telecoms Category SWOT Analysis

STRENGTHS	WEAKNESSES
NWUPC Members Buy In and the involvement of the Tender Working Parties. Prestige of the Framework Agreements compared to other public sector / consortia agreements. Confidence in the Tender Processes of Members and participating Consortia EU Compliant Framework Agreement. Savings achieved of between 2% and 25% across Telecoms agreements. Process savings achieved, as institutions do not have to undertake a full EU tender exercise and risk reduction. All agreements have a buyer's guide to assist institutions. Ease of use and transparency of agreements for members.	Not all members use the Framework correctly. Some members may not go to all suppliers on agreements. Therefore risk of potential challenges under the Framework Agreement. Not all members will utilise the Framework Agreements put in place. Lack of spend data disrupts the production of accurate and timely management information regarding spend against framework agreements.

OPPORTUNITIES	**THREATS**
Value of potential JCG agreement and prestige for suppliers. Economies of scale providing savings nationally. Encourage members not yet using the agreements, to increase turnover and compliance throughout the sector. Development of supplier relationships. Changes in funding streams for student place. Grants / funding for kit that increases spend through the Telecoms Equipment framework agreement. Changes in EU legislation and UK law / change of UK government / policies. Advances in technology. Commodity Prices Exchange Rates	Loss of members buy in. Key suppliers may not be able to undertake Installation work at busy times. Agreement would need to be split by region, and as suppliers may apply for more/ all regions an increased number of suppliers would need to be awarded the installations lot to ensure coverage over the summer months. Resulting value, therefore potential risk of EU challenge. National agreement, more likely to have suppliers out of the region impacting on delivery and/or call out times. Contract management – bigger agreement, more time needed both at NWUPC organisation level and sub group level. Consistency of Telecoms work undertaken by suppliers due to regional offices / engineers and the management of this. Influences to the marketplace, suppliers not gaining a place of the framework may lose experience within the sector / cease training – limiting the market come tender renewal. Capital projects do not always utilise the Framework Agreement.
OPPORTUNITIES - Continued	**THREATS - Continued**

	Category area is volatile – suppliers in the market place could ceased trading Mergers of suppliers and their potential move away from the Education sector. Manufacturing locations / issues with supply. Capacitors made in Japan for example following the 2011 earthquake. Suppliers challenging both at tender renewal and/or under the Framework if members don't use the agreement correctly. Changes in funding streams. Changes in EU legislation and UK law. ERDF Requirements. Commodity Prices Exchange Rates

2. PESTEL Analysis

2.1.1 The PEST model, like most very good simple concepts, and has prompted several variations on the theme. PEST can also be extended to seven or even more factors, by adding Ecological (or Environmental), Legislative (or Legal), and Industry Analysis, which produces the PESTEL model.

2.2 A Pestel Analysis for the Telecoms Category Group / NWUPC can be seen below.

Telecoms Category / NWUPC Pestel Analysis

Political	Economic
Change of Government EU changes / UK membership Changes in EU Regulations Changes in other Legislation / Government Policy. Procurement England Limited (PEL) Funding Streams / ERDF Funding War – affecting supplies and infrastructures	UK and International Economies Manufacturing and supply base. Sustainability of supply base Changes in taxation impacting on costs, including the cost of imports and raw materials. Employment standards again impacting on cost. Exchange Rates Commodity Prices
Social	**Technological**
Advancement of technology. Ethical products / sourcing of goods and labour. Sustainability	Advances in technology due to the technology available. Patents for products.
Environmental	**Legal**
Natural disasters affecting supply. Changes in environmental legislation. Increased awareness of manufacturers operations through the media. Sustainability	Changes in legislation including procurement law whether by statue or case law. EU compliance. EU Changes / UK membership

3. Spend Analysis

3.1.1 An analysis of the Spend 360 database using Proc He codes Q, QJ, QS and QR has indicated that for the year 2014/2015 the total spend with the suppliers on the framework agreements available to member institutions was £471,863. This spend will include both 'on-contract' and 'off-contract' spend, and until the spend review has been completed, it is not possible to identify the value to 'off-contract' spend.

Supplier	Proc HE Codes	Values
ROCOM	QJ - Telecoms Transmission Equipment Purchase and Maintenance and repair	£2,941.00
EE	QS - Telephony - Mobile Line rental, call charges, equipment	£1,276.03
VODAFONE	QS - Telephony - Mobile Line rental, call charges, equipment	£18,386.65
ROCOM	QJ - Telecoms Transmission Equipment Purchase and Maintenance and repair	£2,974.00
EE	QS - Telephony - Mobile Line rental, call charges, equipment	£8,593.86
TELEFONICA	QS - Telephony - Mobile Line rental, call charges, equipment	£2,051.48
VODAFONE	QS - Telephony - Mobile Line rental, call charges, equipment	£436.21
4C STRATEGIES	Q - Telecommunications, Postal and Mail Room Supplies and Services	£51,000.00
ISG TECHNOLOGY	QJ - Telecoms Transmission Equipment Purchase and Maintenance and repair	£24,891.75
ROCOM	QJ - Telecoms Transmission Equipment Purchase and Maintenance and repair	£50.00
PENNINE TELECOM	QR - Telephony, Land Line Rental, Call Charges, Equipment purchase, maintenance, repair and hire	£2,351.00
ROCOM	QJ - Telecoms Transmission Equipment Purchase and Maintenance and repair	£133.00
ROCOM	QJ - Telecoms Transmission Equipment Purchase and Maintenance and repair	£5,153.00

PENNINE TELECOM	QR - Telephony, Land Line Rental, Call Charges, Equipment purchase, maintenance, repair and hire	£667.90
ROCOM	QJ - Telecoms Transmission Equipment Purchase and Maintenance and repair	£166.00
ROCOM	QJ - Telecoms Transmission Equipment Purchase and Maintenance and repair	£2,250.00
ROCOM	QJ - Telecoms Transmission Equipment Purchase and Maintenance and repair	£3,541.00
ROCOM	QJ - Telecoms Transmission Equipment Purchase and Maintenance and repair	£3,405.00
ROCOM	QJ - Telecoms Transmission Equipment Purchase and Maintenance and repair	£226.00
ROCOM	QJ - Telecoms Transmission Equipment Purchase and Maintenance and repair	£1,847.00
PENNINE TELECOM	QR - Telephony, Land Line Rental, Call Charges, Equipment purchase, maintenance, repair and hire	£1,992.00
ROCOM	QJ - Telecoms Transmission Equipment Purchase and Maintenance and repair	£45,988.00
ROCOM	QJ - Telecoms Transmission Equipment Purchase and Maintenance and repair	£3,254.00
ROCOM	QJ - Telecoms Transmission Equipment Purchase and Maintenance and repair	£1,965.00
ROCOM	QJ - Telecoms Transmission Equipment Purchase and Maintenance and repair	£1,357.00
EE	QS - Telephony - Mobile Line rental, call charges, equipment	£39.75
VODAFONE	QS - Telephony - Mobile Line rental, call charges, equipment	£5,245.40
TELEFONICA	QS - Telephony - Mobile Line rental, call charges, equipment	£3,209.54
EE	QS - Telephony - Mobile Line rental, call charges, equipment	£58.50

EE	QS - Telephony - Mobile Line rental, call charges, equipment	£90.39
TELEFONICA	QS - Telephony - Mobile Line rental, call charges, equipment	£1,112.53
EE	QS - Telephony - Mobile Line rental, call charges, equipment	£26,238.06
VODAFONE	QS - Telephony - Mobile Line rental, call charges, equipment	£195.22
EE	QS - Telephony - Mobile Line rental, call charges, equipment	£35,605.43
EE	QS - Telephony - Mobile Line rental, call charges, equipment	£129,274.33
EE	QS - Telephony - Mobile Line rental, call charges, equipment	£986.72
EE	QS - Telephony - Mobile Line rental, call charges, equipment	£8,518.23
EE	QS - Telephony - Mobile Line rental, call charges, equipment	£3,304.42
EE	QS - Telephony - Mobile Line rental, call charges, equipment	£287.29
TELEFONICA	QS - Telephony - Mobile Line rental, call charges, equipment	£5,118.43
VODAFONE	QS - Telephony - Mobile Line rental, call charges, equipment	£44.76
EE	QS - Telephony - Mobile Line rental, call charges, equipment	£12,094.20
TELEFONICA	QS - Telephony - Mobile Line rental, call charges, equipment	£53,542.99
	Total Spend	**£471,863.07**

Section H: Overall Contract Management

1. Overall Contract Management

1.1 As part of the NWUPC contracting programme all NWUPC let framework agreements are contract managed by various means outlined below;

1.1.1 All successfully awarded suppliers are invited to an implementation meeting on award of a NWUPC framework agreement.

1.1.2 A comprehensive buyer's guide is drawn up at the start of each agreement and maintained throughout the life of the agreement. This information is accessible on uniBuy for all accessing consortia to access to, and is distributed around the Telecoms Category Group.

1.1.3 Credit Reports are undertaken and are continually monitored for suppliers awarded a place on a framework agreement.

1.1.4 Insurance records are monitored, with certificates sought on expiry to ensure suppliers have the required insurance cover in place.

1.1.5 Regular review meetings are held with all suppliers on the framework agreements with feedback sought from members at both category meetings and via surveys. ad hoc contract management takes place if members / consortia have any issues with the suppliers on the framework agreement.

1.1.6 Annual savings are calculated on work undertaken using the framework agreement.

1.1.7 A potential area to improve upon is to benchmark the agreement moving forward.

2. Telecoms Category Meetings

2.1 All agreements are discussed at each category meeting, 3 of which are held throughout the year.

4th March 2016	University of Central Lancashire
1st July 2016	Lancaster University
25th November 2016	Edge Hill University

Section I: Telecoms Category Strategy Moving Forward

1. National Telecoms Group

1.1.1 At the National Telecoms Group (NTG) meeting on the 6th November 2015, the Chair raised the issue that the Crown Commercial Services (CCS) mobile and voice data agreement (lot 6) does not fully meet the requirements of the HE members. The option of providing an HE specific agreement was discussed and NEUPC indicated they would be willing to take the lead for this. The Chair is in the process of investigating the feasibility of this option.

2. Considerations

2.1 From an NWUPC perspective, member's viewpoints are paramount.

2.2 Further considerations include:

2.2.1 Affect on NWUPC member buy in to the resultant telecoms voice and data agreement(s).

2.2.2 Resultant affect on spend throughput for the agreements and NWUPC income streams.

2.2.3 Rebate implications as not all consortia follow the same model.

2.2.4 Workload implications dependant on number of awarded suppliers and timeframe for change.

2.2.5 Technical expertise resource required for process and their availability.

2.2.6 Supplier actions in terms of institutional coverage and commitment.

2.2.7 Value for money attained for members through resulting agreement(s).

2.2.8 Fragmentation of spend due to the above and with the potential of more suppliers on the framework verse overall framework value and the perceived attractiveness of the resultant agreement(s) by suppliers.

2.2.9 Threat of challenge during the tender process – agreement would be considerable more attractive to suppliers in terms of value.

2.2.10 The Telecoms Strategy should be linked to the ICT Strategy and where there are overlapping agreements a joint approach should be taken.

3. Actions

3.1 Continue current contract management and processes.

3.2 Assess the potential costs and benefits of benchmarking the agreement moving forward.

3.3 Assess the requirement for a Voice and Data Framework Agreement with members.

3.3.1 At point of tender the NWUPC will continue to work closely with the tender working party / sub group.