

Report To:	CABINET	Date:	19 OCTOBER 2017
Heading:	TELEPHONY UPGRADE		
Portfolio Holder:	CLLR DON DAVIS - DEPUTY LEADER AND ECONOMIC GROWTH		
Ward/s:	N/A		
Key Decision:	Yes		
Subject To Call-In:	Yes		

Purpose of Report

To request approval to replace and upgrade the telephony hardware and software to a fully supported version, through a procurement process to find a supplier partner to undertake the migration from the current platform and implement new features that will aid Agile Working.

Recommendation(s)

1. To authorise the Director Resources and Business Transformation to commence a procurement process and to appoint a supplier to provide an upgraded telephony system.

Reasons For Recommendation(s)

The current contract for telephony support with Virgin Media has ended. A temporary maintenance contract has been taken out with a third party.

The upgraded telephony system will include features that will help the Council move towards a more agile working style by enabling end users to have a Council phone number while away from the Council Offices via an app installed on a mobile device such as a smart phone or tablet or even home PC.

Dependent on the costs, which the procurement process will identify, consideration will also be given to having a hosted telephony system which delivers additional operational benefits.

Alternative Options Considered (With Reasons Why Not Adopted)

None – the telephony system is end of life and must be upgraded or changed.

Detailed Information

The current telephony hardware has reached end of life and needs to be replaced. The current telephony software, Cisco CUCM, has also reached end of life and needs to be upgraded. This does not include the Cisco handsets which remain fully functional.

As the migration of the current system to a supported platform c/w configuration and upgrade to the latest version of the software is a highly specialist function a procurement exercise is required to find a partner to perform these tasks.

ICT have been provided with a number of indicative costs, the one that appears to offer the best value for money and fit with the existing phone system is:

• Software and hardware upgrades	£22,000
• Installation works	£46,000
• Sub Total	£68,000
• Annual Cisco Software Assurance	£9,600* (£3,200 pro rata 2017/18)
• Annual Support	£9,000* (£2,250 pro rata 2017/18)
• Total	£86,600

*There is currently a budget for annual support costs of £18,700, which will fund the new contract costs. There have been additional costs incurred in 2017/18 for additional support requirements which will result in a greater charge of around £5,000 above budget, however, some of this may be reimbursed on commencement of the new contract but the value is not yet known. The costs of implementation will be contained within existing budgets at present as a result of savings made across the authority, but this will be monitored closely and may become a budget pressure later in the year.

Following the procurement process the actual costs may be higher or lower than the indicative costs stated.

The current telephony system software is no longer supported by Cisco. The hardware has reached its end of life, therefore a procurement exercise needs to be undertaken to find a supplier who can ensure the software is correctly licensed and supported, undertake the migration, upgrade and testing of the telephony platform to a fully supported version and provide ongoing support.

A procurement exercise via a Government Framework will commence at the end of October 2017 with the aim of beginning the migration work in November/December 2017.

The benefits to the Council and service delivery through the investment in an upgraded telephony system include:

- Improve ability for employees to agile work by enabling access to their work landline phone number via an app on a mobile phone, tablet or laptop. This could be a Council provided device or a BYOD (Bring Your Own Device).
- An upgraded telephony system will ensure the Council has a supported telephony platform for at least 5 years. It will also mean that the system can be upgraded to future releases of the Cisco CUCM software ensuring the Council benefits from new features.

Implications

Corporate Plan:

This report aligns with the Organisational Improvement priority theme in the Corporate Plan and in particular supports our transformation and efficiency programme and in particular our IT development and Agile Working projects.

Legal:

The Legal Team will provide advice and assistance as necessary as part of the procurement exercise and entering into the consequential contract with the successful supplier.

Finance:

This report is effective from 19/10/2017 and has the following financial implications:

Budget Area	Implication
General Fund – Revenue Budget	The indicative costs of implementing the new telephony contract is estimated at (£73,000 in 2017/18). The Council shall, in the first instance, look to contain costs within the Council's overall budget in 2017/18. The position shall be revisited at the revised budget stage. Any increase in cost as a result of the tender will need to be assessed to ensure this can continue to be contained.
General Fund – Capital Programme	
Housing Revenue Account – Revenue Budget	
Housing Revenue Account – Capital Programme	

Risks:

Risks	Mitigation
If the telephony system becomes end of life and unsupported there is a risk of loss of the system.	The mitigation is as per the recommendation to go to tender to procure a telephony system.
The procurement process needs to identify an appropriate replacement system.	The Council's procurement process will enable us to identify the most appropriate robust alternative system.

Human Resources:

There are no direct HR implications arising from the report.

Equalities:

N/A

Other Implications:

Reason(s) for Urgency (if applicable):

Exempt Report:

Background Papers

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