



## Cambridge City Council

### **Project Appraisal and Scrutiny Committee Recommendation**

#### **Project Name: Telecommunications**

**To:** Executive Councillor for Strategy and Transformation

**Report by:** Tony Allen

**Scrutiny committee:** STRATEGY & RESOURCES  
23 MARCH 2015

**Wards affected:** All

#### **Recommendation/s**

##### **Financial recommendations –**

- The Executive Councillor is asked to recommend this scheme (which is included as a Capital Project Under Development within the Budget Setting Report) for approval by Council, subject to resources being available to fund the capital and revenue costs.
  - The total cost of the project is £400,000, funded from reserves.
  - At this stage no revenue implications are anticipated, but any arising will be addressed through the Mid-Year Financial Review.
  - On approval, the scheme will move from Projects Under Development to the Capital Plan and will be able to commence.

##### **Procurement recommendations:**

- The Executive Councillor is asked to approve giving the Director of Business Transformation authority to take delegated decisions in consultation with the Executive Councillor, chair and opposition spokes as required during the procurement process.

## **Project Name: Telecommunications**

### **1 Summary**

#### **1.1 The project**

Purchase and implementation of a new hosted telecommunications systems including contact centre features for 3 years initially plus up to a further 2 years.

Target Dates:

Start of procurement	February 2015
Award of Contract	April 2015
Start of project delivery	April 2015
Completion of project	September 2015
Date that project output is expected to become operational (if not same as above)	September 2015

#### **1.2 Anticipated Cost**

Total Project Cost	£400,000
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Cost Funded from:

Funding:	Amount:	Details:
Reserves	£400,000	
Developer Contributions	£	
Climate Change Fund	£	
Other	£	

### **1.3 Procurement process**

The procurement will use Cabinet Office framework RM1498 via a competition.

Networking equipment will be procured using the existing ICT contract with Northgate Information Solutions.

## **2 Project Appraisal & Procurement Report**

### **2.1 Project Background**

The Council's current telephone systems were installed in 1982, and the time has come to replace this equipment due to:

- The ISDX systems are incapable of supporting the Council's emerging requirement for a modern and flexible telephony service.
- Siemens has announced that formal support for the ISDX will cease in March 2017.
- The Council will be open to a number of major operational and reputational risks if it continues to rely on the ageing and obsolescent telephone systems.

Following a market research exercise which looked at a number of models it was identified that a hosted telephone service and contact centre would meet the Council's need for flexibility in terms of staff numbers and location.

The delivery of a new telephone service will enable the Council's accommodation and new ways of working strategies, releasing savings by flexible working and closure of Council office space.

### **2.2 Aims & objectives**

- To procure a replacement telecommunications system including contact centre
- To implement the replacement telephone system
- To ensure the network is modified to support the new telephone system
- To withdraw and decommission the existing telephone system.

### **2.3 Major issues for stakeholders & other departments**

- All users will have a new phone system to use, but training will be provided
- The project will aim to keep disruption to members of staff during the migration to a minimum

### **2.4 Summarise key risks associated with the project**

This project will mitigate the following risks:

- The Council will be open to a number of major operational and reputational risks if it continues to rely on the ageing and obsolescent telephone systems.
- The Council may not be able to achieve its future savings targets if it is unable to adopt flexible working practices.

This project has the following risks associated:

- The project may not be affordable
- The final solution may not work
- Organisations will not bid

These risks have been mitigated by carrying out a market research exercise, engaging a subject matter expert and by using a Government Framework for telecommunications with pre-selected providers.

### **2.5 Financial implications**

- a. Appraisal prepared on the following price base: 2015/16
- b. Specific grant funding conditions are:
  -
- c. Other comments

### **2.6 Net revenue implications (costs or savings)**

Revenue costs will be financed from existing budgets. If any revenue implications arise they will be addressed through the Mid-Year Financial Review.



## 2.10 Other implications

- An Equality Impact Assessment (EqIA) has not been prepared for this project.
- Customer Services have completed an EqIA's for Self Serve and automated switchboard.
- A report went to full Council on the 26<sup>th</sup> February that assessed the corporate impact on the changes in the Contact Centre. This report is available here:

<http://democracy.cambridge.gov.uk/documents/b9013/Budget%20Setting%20Report%20201516%20Version%204%20FINAL%2026th-Feb-2015%2018.00%20Council.pdf?T=9>

- A formal EqIA after discussion with Strategy and Partnerships is not required. However a positive impact is anticipated overall. The new system will enable users to work more flexibly, allowing users to transition easier between work, district and home locations.
- We will review the potential impacts during the implementation.

## 2.11 Staff required to deliver the project

- There will be staff training for all staff. Project Management activities from within the ICT Client Team, but the majority of implementation work will be undertaken by third parties.

## 2.12 Dependency on other work or projects

- The delivery of a new telecommunications system directly underpins the Council's accommodation strategy, supporting flexible and mobile working and hot desking.

## 2.13 Background Papers

*n/a*

## 2.14 Inspection of papers

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Date prepared:

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**Capital Project Appraisal - Capital costs & funding - Profiling**

**Appendix A**

	2013/14	2014/15	2015/16	2016/17	2017/18	Comments
	£	£	£	£	£	
<b>Capital Costs</b>						
Building contractor / works						
Purchase of vehicles, plant & equipment			100,000			
Professional fees			156,000			
Other capital expenditure:			144,000			
<b>Total Capital cost</b>	<b>0</b>	<b>0</b>	<b>400,000</b>	<b>0</b>	<b>0</b>	
<b>Capital Income / Funding</b>						
Government Grant						
Developer Contributions						
Earmarked Funds						
Existing capital programme funding						
Revenue contributions						
<b>Total Income</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Net Capital Bid</b>	<b>0</b>	<b>0</b>	<b>400,000</b>	<b>0</b>	<b>0</b>	



