

# Chichester District Council

CABINET

8 March 2016

## Replacement Telephone System

### 1. Contacts

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### 2. Recommendations

- 2.1. That Cabinet approve the replacement of the current telephone system
- 2.2. That Council is recommended to release up to £175,000 (including contingency) from the Asset Replacement Programme in order to allow a contract be awarded to the preferred contractor.
- 2.3. That the Head of Business Improvement Services be authorised to conclude a contract with the preferred contractor.

### 3. Background

- 3.1 In October 2015, Cabinet considered a Project Initiation Document (PID) providing replacement options for the Council's telephone system which is approaching end of life. Cabinet approved the option to procure an on-site solution, as opposed to a hosted or "in-the-cloud" solution. Officers were instructed to report tender evaluations back to Cabinet.
- 3.2 The project proposal set out to tender in partnership with Arun District Council. Arun District Council also needs to replace their telephone system which provided opportunities to undertake a joint procurement exercise and to potentially share a solution.
- 3.3 In total 14 submissions were received. After a detailed evaluation process with Arun District Council, both authorities have been able to identify a preferred supplier.

### 4. Outcomes to be achieved

- 4.1. The replacement of the Council's telephone system.
- 4.2. Improved ability for staff to work flexibly on-site and remotely.

- 4.3. The opportunity to implement a joint telephone system with Arun District Council to share resources and support shared services in the future

## **5. Proposal**

- 5.1 To award the tender of an on-site telephone system to the preferred tenderer at the cost set out in Appendix 1 plus contingency.
- 5.2 To undertake a profiling exercise to determine which users need which devices and licences for users, working either remotely, mobile or fixed at office sites.
- 5.3 To work in partnership with Arun District Council during the procurement process to deliver a shared system or if this is not possible to proceed alone. Arun District Council will consider this matter at their Cabinet meeting on the 21 March 2016.
- 5.4 The Head of Business Improvement Services will bring back a further report identifying integration requirements and associated costs and savings should a shared solution with Arun District Council be progressed.

## **6. Alternatives that have been considered**

- 6.1 The PID considered by Cabinet on 6 October 2015 detailed five alternatives that were considered. Cabinet approved the option of an on-site solution.

## **7. Resource and legal implications**

- 7.1 These are detailed within the PID.
- 7.2 Capital provision of £300,000 is made within the Asset Replacement Fund for this project. Existing revenue commitment for the Council's telephone system is £23,300. Following the tender evaluation the preferred bidder solution would incur a capital cost of £149,849 and a revenue cost of £15,945. Once it is clear what the costs of integration with Arun are, the final revenue costs can be determined and any saving made will contribute towards the deficit reduction programme.

## **8. Consultation**

- 8.1 This project is primarily an asset replacement project. However, due to the opportunities for a shared solution, external consultants have been engaged to advise both authorities on the specification of requirements. Officers from both authorities have worked closely in the development of the specification of requirements, the evaluation and procurement process.
- 8.2 Once tenders were received both parties undertook a detailed consultation at senior level with Arun District Council to agree a recommended solution.

## **9. Community impact and corporate risks**

- 9.1 Risks associated with this project are detailed within the PID.

## 10. Other Implications

<b>Crime &amp; Disorder:</b>	None
<b>Climate Change:</b>	None
<b>Human Rights and Equality Impact:</b>	None
<b>Safeguarding and Early Help:</b>	None

## 11. Appendix

11.1. Tender Evaluation Analysis

## 12. Background Papers

None