

## Project Documentation

## Tender Evaluation

### Replacement Telephony System Project

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<b>Date:</b>	09-02-16
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<b>Approved by:</b>	Jane Ryan 16-02-2016

#### Document History

Revision Date	Version	Summary of Changes	Reviewer(s)
09-02-16	1.0	1 <sup>st</sup> Draft	DB
10-02-16	1.1	Additional sections completed	DB
15-02-16	1.2	Amendments made following meeting with JD	JD/JR/DB
22-02-16	1.3	Amendments made by SLT	SLT

## Glossary of Terms

**ARP** – Asset Replacement Programme – the Council’s forward funded and budgeted programme for replacing capital assets as they end their useful life

**IP** - The Internet Protocol (IP) is the principal communications protocol in the Internet protocol suite for relaying data across network boundaries.

**ISDN** - A set of communication standards for simultaneous digital transmission of voice, video, data, and other network services over the traditional circuits of the public telephone network.

**PBX** – Private Branch Exchange. A telephone exchange that serves a business or organisation

**PCI** – Payment Card Industry. Security compliance standard for credit card industry

**PSN** – Public Service Network. Infrastructure and compliance standard run by the Cabinet Office for local authorities connection to government departments.

**PSTN** – A traditional public telephone network.

**SIP** - Session Initiation Protocol - a signalling protocol used to create, manage and terminate sessions in an IP based network. A session could be a simple two-way telephone call or it could be a collaborative multi-media conference session.

**UC** – Unified Communications. The ability to use different ways of communicating through software applications. E.g. receive voicemail in email or video conference via a phone or office software.

**WAN** – Wide Area Network. Provided by West Sussex County Council. It is data connection between East Pallant House and all area offices.

## **1. PURPOSE OF DOCUMENT**

This Tender evaluation provides the methodology used to analyse the tenders received for the Council's replacement telephone system.

## **2. PROJECT DESCRIPTION**

This project is to replace the current telephone system with an on-site solution capable of supporting a shared solution with Arun District Council or other external partner. The full project description is contained within the PID, provided as a background paper. The PID was approved by Cabinet on 6 October 2015.

## **3. BACKGROUND**

In October 2015 Cabinet approval was granted to undertake a tender exercise to:

- Replace the Council's telephone system with an on-site solution
- Procure a system capable of supporting a shared solution with Arun District Council.

The process of specifying the technical requirements and business needs has been a joint exercise between Chichester and Arun District Councils, incorporating senior managers, technical staff and procurement. In addition an independent technical consultant has overseen the technical elements to ensure the proposed solutions have met with our requirements and that we are adopting a fit for purpose system that is up-to-date and future proofed for new ways of working.

### **3.0 Evaluation Methodology**

Following approval to enter the tender stage and under the guidance of the procurement team, the specification was formalised into the "Invitation To Tender Questionnaire" and detailed specification. It was from these that responses would be evaluated, scored and shortlisted.

In essence the proposed solutions have been required to provide:

- Ability to provide voice contact to and from the council via a main number
- Ability to route calls to the right person or team
- Mitigate the exposure to risk from end of life hardware/software
- Mitigate the exposure to risk through the failure of inbound lines
- Address existing inability to provide business continuity for the telephone system
- Address limited mobility options
- Simplify the directory system
- Provide reliable and accurate reports for trend analysis and usage statistics.
- Introduce more flexible and agile telephony, for example routing calls to remote workers without incurring traditional call costs.
- Operate either standalone or as part of joint system between Chichester and Arun District Councils.

- Provide resilience and disaster recovery.

### **3.1 Scope of the proposed solution**

In order to get the best fit for both councils budget, decisions were made on what was essential and what was desirable.

#### **Essential requirements:**

- Core telephone system and extension licences
- Handsets
- Reporting
- Connection to contact centre systems
- Ability to share a resilient single system
- Voicemail
- Installation and training
- Ongoing Support and Maintenance

#### **Desirable requirements:**

- Software Phones and Unified Communications (messaging / desktop sharing / conference calls with third parties)
- Headsets
- Voice Recording

Each supplier was requested to show the costs of the above separately and also respond to each question demonstrating how they meet the criteria.

### **3.2 Process**

Tenders were invited on a single stage, “open” tender basis. This was through the OJEU framework. Other frameworks were considered, but OJEU gave the greatest range of suppliers and solutions.

The tender documentation was published on the 14<sup>th</sup> October. The deadline for returns was the 20<sup>th</sup> November. The evaluation period has covered from the 23<sup>rd</sup> November to the 5<sup>th</sup> February 2016, incorporating any clarifications and presentations.

### **3.3 Tender Evaluation Methodology**

All submissions were evaluated by the project teams at both Chichester and Arun and jointly between the two teams, our external consultant and overseen by our shared Procurement Officer.

The outcome of the tender was decided on the Most Economically Advantageous Tender (MEAT) basis using the following weighting:

- a) Price of the tender = 40%
- b) Service and Product Questionnaire Response = 40%

c) Main Questionnaire = 20%

The Main questionnaire of each tender was scored using the following scale of awarding marks between 0 and 5:

<b>Scoring - Quality Criteria</b>	
<b>Rating of Response</b>	<b>Score</b>
Very Good or Fully Compliant Submission - which meets all requirements and is fully explained in comprehensive detail.	5
Good or Fully Compliant Submission - which meets all the requirements and is explained in reasonable detail.	4
Satisfactory or Compliant Submission - which meets the essential requirements and is explained in adequate detail.	3
Weak or Partially Compliant (Minor issues) Submission - which in some areas falls short of requirements and is poorly explained.	2
Unacceptable or Non-Compliant (Major issues) Submission which fails to meet requirements and is not explained.	0 – 1

#### 4. Evaluation

The evaluation was made up of 3 sections.

<b>Label</b>	<b>Criteria</b>	<b>Percentage score</b>
Quality.	Experience, capability, methodology and support	40%
Price.	Based on individual requirements for each Council. 5 year total cost of ownership.	40%
Technical	Ability to meet system requirements	20%

#### 5. Evaluation Results

In total 14 submissions were received.

The capital cost of the proposals (with both authorities purchasing the same system) ranged from £133,063 at the lower end to £753,575 for Chichester and £105,623 to £405,876 for Arun. Proposals provided a suite of functionality individually costed.

Following the evaluation process, not all of this functionality was proceeded with e.g. call recording. Therefore, the final solution costs have taken these reductions into account.

The overall scores ranged from 47.14 to 86.17 (out of a possible 100). The winning bidder scored 26.29% for Quality, 19.88% for Technical and 40% for Price totalling 86.17/100, with a tender price of £149,849 for Chichester District Council. Full details of all bidders, their identities and scores can be made available to Cabinet but this will require discussion and debate in private session. The preferred bidder scored top for both Arun and Chichester.

The project team has attended two presentations to further clarify the solution and are confident that the preferred solution will meet all essential and desirable requirements.

The Project budget for Chichester District Council is £300,000 capital and £23,300 revenue.

## 6. Cost of proposed solution.

The costs provided for Chichester and Arun separately are set out in the table below. The revenue increases as more features are added. Chichester figures are based on a maximum 800 users/extensions and Arun 500 users/extensions. The number of users and extensions will be verified by the profiling exercise to be undertaken (see para 5.2 of the covering report) and might well reduce as a result.

	<b>Comment</b>	<b>Capital Costs</b>	<b>Annual Revenue Costs</b>	<b>5 Year Total Cost Of Ownership</b>
<b>Chichester Costs – Basic</b>	<i>Includes basic system, voicemail, handsets, training, implementation, basic software client, and reporting</i>	<b>128,376</b>	<b>13,833</b>	
<b>Chichester Costs – Plus Unified Communications (UC) (Recommended)</b>	<i>As above, but with standard client (replacing Lync)</i>	<b>21,473</b>	<b>2,112</b>	
<b>Chichester Total Basic + UC</b>		<b>149,849</b>	<b>15,945</b>	<b>229,574</b>
<b>Arun Costs – Basic</b>		<b>103,388</b>	<b>8,426</b>	
<b>Arun Costs – Plus Unified Communications</b>		<b>13,420</b>	<b>1,320</b>	
<b>Arun Total Basic + UC</b>		<b>116,808</b>	<b>9,746</b>	<b>165,538</b>

The overall project budget provides for integration between the two solutions for Chichester and Arun District Councils. Additional phases (set out in the Table below) will need to be undertaken to enable this integration. Associated costs would be met from the residual funds within the approved project budget and will be subject to a separate report to Cabinet.

<b>Item</b>	<b>Description</b>	<b>Funding</b>	<b>Benefits</b>
1. SIP Lines for main phone number(s)	Replaces legacy copper cables. Will also provide greater business continuity and control 24 x7	Cost of fibre (SIP lines) to be off-set by savings on existing copper lines	Enables voice to be provided over internet. Supports flexible business continuity, enabling system to be directed at partner site
2. Area Office <sup>i</sup> Hardware	Additional hardware for business continuity at area offices	Subject to separate report	Provides resilience for BC. Enables some CDC infrastructure to be located off-site at partner site
3. Partnership Network Connectivity	Ability to connect Chichester and Arun networks together must include:  WAN connections (via WSCC CAPITA)  Network consultancy to design and implement shared network infrastructure  Domain and Active Directory Consultancy	Subject to separate report	Provides connectivity between CDC and ADC sites for telephone systems.  Enables potential for shared working with Arun DC. Allows staff to be located at partner site, accessing and sharing files. This would be subject to a separate project. This phase would be considered alongside the outcome of the shared services business case.
4. Local Network Connectivity	Increase bandwidth and quality of service	Subject to separate report	May be required if voice and data traffic are routed across shared network to ensure speed of line and quality of voice service.

## **7. Important Considerations and Decisions**

As part of this project the original PID highlighted areas that would need to be addressed before the chosen solution and procurement is undertaken:

### **7.1 Partnership Working**

One of the objectives and outcomes for the project was to support partnership working and a shared telephone system is seen as a key enabler in achieving this outcome.

### **7.2 New Ways of Working**

The replacement system must contain features to support a flexible workforce working from a variety of locations e.g. conference calls, single number

contact, mobile device collaboration and providing the most appropriate device to a member of staff according to their role and working practices.

### **7.3 Unified Communications**

The Council currently use Microsoft's unified communications (Microsoft Lync) in a limited capacity to identify an officers' presence and availability. To extend this product to provide video and telephone conferencing and 'follow-me' functionality outside of the building would add an additional £30,548 revenue to the authority's existing Microsoft Enterprise Agreement. Tenderers were invited to quote for this functionality as a separate cost and as shown within the cost analysis it is significantly cheaper to achieve this functionality by purchasing the preferred supplier Unified Communications package.

### **7.4 Change of current phone circuits to SIP**

A migration from traditional copper lines to fibre will offer not only call cost reduction but also a greatly expanded business continuity benefit. This is an essential pre-requisite, the costs of which will be funded from savings on existing circuit costs.

### **7.5 Resilience of area offices.**

It is anticipated at go-live there will be fewer area offices (resulting from the Leisure tender). The key sites will require some backup if connection is lost to East Pallant House. These will be scoped in the initial planning phase.

### **7.6 Engagement of third parties**

Careful scheduling will be required for integration into systems such as the Macfarlane customer service system.

### **7.7 Allocation of resources and timescales for Go-live.**

This will be an intensive project and will require dedicated resources. The council relies on telephony as a primary means of communication, as such planning will need to take into account any significant corporate projects or events such as elections / referendum when scheduling its launch.

### **7.8 Testing**

Thorough testing will be required of the core system and functions as part of the implementation plan. Staff will be consulted and engaged as part of this process.

### **7.9 Enhanced support**

Basic support provided will be 8.30 to 5.30 Monday to Friday. The council may decide that a greater level of support is required, particularly if flexible and partnership support demand it. This would, however incur a higher revenue cost.

## 8. Review of Project Objectives and Success Criteria

The PID identified the following Outputs and Outcomes from the project. Following the tender evaluation exercise the preferred contractors' solution provides those outputs and outcomes identified with a tick.

### 8.1. Outputs

- ✓ Installation of New PBX System
- ✓ Connection to SIP phone Lines
- ✓ Reduction in server space required + Power reduction
- ✓ Deployment of full IP Telephony
- ✓ Integration with Customer Service Centre Switch
- ✓ Ability to make calls from handset and 'soft phones' on IT equipment, for
  - Example calling a contact from the laptop, PC or a conference call with multiple people from a single directory.
  - Integration with Microsoft Lync for collaboration and remote workingEg. conference calls and video conferencing. This integration will not be required since the functionality will be delivered using the preferred bidders Unified Communications solution (see para 7.3 above).
- ✓ Improved reporting on call handling, volume and use.

### 8.2. Outcomes

The expected outcomes that will occur as result of the outputs are:

- ✓ Deployment of integrated software and hardware to enable Flexible working and unified communications (UC) (if optional standard licences are purchased)
  - Presence (note this element is a limitation in the proposed client)
  - Instant Messaging
  - File share
  - Shared directory access
  - Video
  - Federation with Lync

These features are a key component in flexible working. The system will also allow:

- ✓ Unified Messaging – The ability to use email, software phones, video conference and text from a single system.
- ✓ Desktop Sharing and Hot Desking
- ✓ Home Remote Working – allow routing of calls to home workers devices
- ✓ Conference Calls (voice) – avoid unnecessary traveling with more convenient
  - conferences for discussions and collaboration
- ✓ Web Conferencing (video) as above but with video

- Use of ‘Soft Phones’ – these are software phones that allow the user to call
  - from their laptop or mobile device, would allow home and mobile working
- ✓ Installation of a scalable and future proof solution.
- Disaster Recovery and Business Continuity – by sharing a system calls could be routed to the partner site at Arun DC
  - Partnership Solution and shared working – The proposed solution will allow for a shared system that can be hosted and backed up by both partners. The infrastructure to allow this would also enable a closer degree of shared working. (as outlined in paragraph 6 above)
  - Clear reporting and statistical information will also enable recharges to be administered to service areas for usage and identify trends.
- ✓ Financial – Greater budgetary forecasting and control over call costs when routing to mobile workers and partners. Reduced conference costs, telephone line costs and call costs to sites.

### 8.3. Outcome Measures

- Replacement telephone system on time and within budget
- To have a telephone system capable of supporting a partner site
- Ability to re-route calls to alternative destination in the event of system failure
- Provision of software phones that run on a user’s laptop or PC
- Ability to conduct web conference calls and voice calls
- Increase in the number of staff working remotely on a regular basis
- Increase the number of staff ‘hot desking’, removing barriers to sharing desks to achieve the ability to work to a 7:10 ratio by December 2016

## 9. PROJECT PLAN

Task No.	Task / milestone	Target Date	Responsible	Dependency
<b>Stage 1 – Procurement</b>				
1.1	Place OJEU and issue Invitation to Tender	October 14 <sup>th</sup> 2015 Complete	CDC/ADC	Approval
1.2	Last date for questions relating to the tender process	November 13 <sup>th</sup> Complete	CDC/ADC	Approval
1.3	Return of Tenders	November 20 <sup>th</sup> Complete	Tenderers	
1.4	Initial evaluation completed	December 18 <sup>th</sup> Complete	CDC/ADC	Tender return
1.5	Presentations	12 <sup>th</sup> / 13 <sup>th</sup> January 2016 Complete	CDC / shortlisted tenders	
1.6	Evaluation complete	22 <sup>nd</sup> January	CDC/ADC/Cons	

		2016 Complete	ultant	
1.7	Approval by Council Executive	March 8 <sup>th</sup> 2016	CDC	Completed evaluation
1.8	Standstill period complete	March 2016	CDC	
1.9	Award contract	April 2016	CDC	Approval by CE
<b>Stage 2 – Installation Phase 1</b>				
2.1	First project meeting	April 2016	CDC / Supplier	Stage 1 completion
2.2	SIP Connectivity commences	March 2016	CDC / Supplier	Order and survey completion
2.3	Finalise WAN Change Request	March 2016	CDC / WSCC	Partnership agreement
2.4	Conduct Profiling study	April	CDC / Supplier	
2.5	PBX Installation commences	April 2016	CDC / Sup	Contract
2.6	POC period commences	May 2016	CDC / Sup	Resources
2.7	Sign Off POC	May 2016	CDC	
<b>Stage 3 – Installation Phase 2</b>				
3.1	Installation Phase 2	May 2016	CDC / Sup	
3.2	Training	June 2016	CDC / Sup	
3.4	Sign Off	June 2016	CDC / Sup	UAT
3.5	Cut Over to New System – Go – Live	June / July 2016	CDC / Sup	UAT sign off – Corporate priorities
<b>Stage 4 – Installation Phase 3</b>				
5.1	Partner Integration – Arun Installation	TBC	CDC/ADC/Sup	Strategic Agreement

## 10. PROJECT TEAM

### Chichester District Council

Jane Dodsworth	Senior Responsible Officer
Jane Ryan	Project Manager
Karen Parsons	Operations Manager
Fiona Delahunty	Customer Services Manager
Daniel Bramley	ICT Project Co-ordinator
Matthew Fletcher	Communications and Network Officer
Mike Noyce	Unix and Network Administrator
Mike Cannings	Citrix and Microsoft Administrator
Rod Walters	Procurement Officer
Finance Accountant	TBC
Legal	Sherri Golds

### Arun District Council

Chris Lawrence	
Debbie Friesen	Project Manager Arun
Nigel Quinlan	

Jackie Follis  
Lisa Emmens

## **External**

Sandy Spink            Project Consultant

### **11. COMMUNICATION**

- Weekly project briefings and updates, including review of tasks, phases, risks and issues
- Covalent reporting for SLT and Members
- Reporting and updates to Business Improvement Board, NWoW Project Team meetings and Channel Shift sub-group.

### **12. EXIT STRATEGY**

The specification has been designed to implement this replacement alone or in partnership with Arun District Council. Therefore, should Arun District Council choose not to proceed at this time or to implement the system at a later date, this will not interfere with Chichester District Council's ability to replace their telephone system. Arun District Council's Cabinet will consider this decision at their next meeting on 21 March 2016.

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<sup>i</sup> Whilst we no longer have area offices this proposal includes the cost of providing a service to our off-site premises such as Careline, The Novium Museum and the Depot