

Decision title

Hosted telephony service – acceptance of tender

Recommendation by

Chief Information Officer

Decision Number

LFC-0161-D

Protective marking: **OFFICIAL - Sensitive**

Publication status: Published with redactions

Summary

This report seeks approval to accept a tender for the supply of a hosted (cloud based) telephony service for the Brigade. The existing contract with Unify was designed to allow time for the Brigade's aging telephony equipment to continue to be supported, whilst a programme was initiated to migrate the Brigade to a predominantly cloud hosted service.

The current contract is due to expire on 31 July 2019 and this report sets out the results of a re-tendering process and recommends that a new three-year contract be put in place.

Decision

The London Fire Commissioner (LFC) accept the tender for the supply of a new hosted telephony system by the supplier Datix Limited at a cost of £ 542k over three years.

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London Fire Commissioner



Date 21/6/19

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LONDON FIRE BRIGADE

Report title

Hosted telephony service: acceptance of tender

Report to

Commissioner's Board
Fire and Resilience Board
London Fire Commissioner

Date

10 April 2019
14 May 2019

Report by

Chief Information Officer

Report number

LFC 0161

Protective marking: **OFFICIAL - Sensitive**

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Summary

This report seeks approval to accept a tender for the supply of a hosted (cloud based) telephony service for the Brigade. The existing contract with Unify was designed to allow time for the Brigade's aging telephony equipment to continue to be supported, whilst a programme was initiated to migrate the Brigade to a predominantly cloud hosted service.

The current contract is due to expire on 31 July 2019 and this report sets out the results of a re-tendering process and recommends that a new three year contract be put in place.

Recommended Decision

That the London Fire Commissioner (LFC) accepts the tender for the supply of a new hosted telephony system by the supplier [REDACTED] at a cost of £ 542K over three years.

Background

1. In common with many organisations, all Brigade telephony infrastructure has historically been installed on Brigade premises. A contract had existed for a number of years with Unify (previously Siemens) to provide support for all internal (non-emergency) telephony. This included Union Street, the London Operations Centre (LOC) at Merton, the LOC fall-back at Stratford and all other core Area office sites as well as fire stations.
2. In addition to the above, the maintenance contract included support for corporate voice mail, operators help desk and reception consoles as well as the 'auto attendant' (greeting message and interactive switchboard facilities).
3. Working with procurement colleagues, a strategy was developed with the objective of both ensuring continuity of support for the existing telephony infrastructure and moving away from our legacy on-premise telephony infrastructure to a cloud-based solution.
4. One of the main advantages of moving to a cloud-based hosted solution was that the majority of the on-premise telephony infrastructure would no longer be required and was, in any event, reaching its end of life. This approach was also in line with the Brigade's 'cloud first' approach as set out in the Information and Technology Strategy.
5. The current contract continued support for our existing infrastructure until May 2018 when all services were successfully migrated to the cloud.
6. Despite some poor performance in the early stages, the service has improved significantly particularly since all customer service operations were moved to UK based locations. Lessons learned from this experience have now been built into the service specification for a replacement hosted telephony service.

Scope of the replacement contract

7. The scope of the specification for the Brigade's replacement hosted telephony contract covers:
 - Provision of non-emergency telephony for headquarters, area and other offices, control and fire stations
 - Provision of a voicemail facility
 - Provision of a concierge facility for reception
 - Provision of a moves / changes service
 - Continued support of a small amount of residual equipment
 - Interconnection with British Telecom (BT) for PSTN² services.
 - Additional service options (as described below)
8. In addition to the services above, suppliers were asked to provide quotes for a range of additional service options that it was felt would offer significant benefits to users. Although these costs are additional to the scope outlined above, they are included in the overall cost of the recommended solution (as set out below). These additional services are:
 - **Call logging functionality** – Having moved to an 'all inclusive' call package with BT some time ago, a call logging facility was not included in the contract with Unify/Atos. However, the lack of any basic information about the volume of callers, the length of calls, and overall

²PSTN (public switched telephone network) is the world's collection of interconnected voice-oriented public telephone networks, both commercial and government-owned.

use of the service, is not ideal and it was agreed to reinstate this functionality in the new tender.

- **Ability to record a limited number of chosen extensions** – There have been numerous requests to ICT to provide a facility to introduce the recording of some inbound calls to the Brigade. These requests have come predominantly from switchboard staff and the Grenfell team. Such recording would be to support the investigation of abusive calls. Of course, the Brigade will ensure that such recording, including access to and storage of the recordings, is done in a way which is compliant with data protection law.
- **Replacement of obsolete handsets** – This re-procurement of the telephony service presents an good opportunity to replace these older handsets with modern supported devices. We will require 1250 OpenStage handsets in total (for all locations) and provision has been made in 2019/20 capital plan to cover this cost. The contractor appointed as part of this re-tendering will supply and install the handsets.
- **Mobility (agile) option for offices** – The replacement of obsolete handsets at Area offices and fire stations will bring the additional benefit of introducing the 'mobility' functionality that is already available at Headquarters. Having this facility at all Brigade sites will allow users to move location and login to their phone number at any location to support agile working (as it does at Headquarters now). Introducing this functionality will significantly reduce the workload for ICT network staff who currently have to manually intervene when users move locations at sites outside Headquarters.
- **Voicemail** – Voicemail is currently only available at Headquarters. This re-procurement provides an opportunity to introduce voicemail facilities at Area office sites, to bring these locations into line with the facility offered to office based users at Headquarters. This is likely to be an additional cost under the contract and it is affordable and we take advantage of this opportunity, it will mean that we would be able to introduce a common approach to all office-based staff with consequent improvements for service levels offered by different teams. It is not proposed to provide voicemail at fire stations because there has been requirement for this functionality.

Collaboration

9. Other fire and rescue services were made aware of the procurement via the NFCC ICT Managers forum. In addition, the procurement was raised at a regular collaboration meeting between GLA bodies.
10. No obvious collaboration opportunities for this procurement. The telephony system is a closed-cloud based system designed for non-emergency use for the Brigade and was procured using a standard approved framework.

Procurement action

11. The Director of Corporate Services initiated procurement for a replacement hosted telephony system on 4 November 2018. The tendering process was carried out by ICT and Procurement department staff, using an approved procurement framework.
12. The procurement was carried out utilising the Crown Commercial Service (CCS) Network Services (RM1045, Lot 5). An Invitation to Participate was published on 10 January 2019. At the deadline for responses, three companies submitted a response.
13. The evaluation consisted of a number of mandatory pass/fail criteria. The price element was weighted at 30 percent, and the quality element at 70 percent.

14. The outcome of the tender evaluation process is outlined in appendix and the successful tenderer is [REDACTED] at an annual cost of £136k. This tender is recommended for acceptance.

Budget provision

15. Provision of £134k exists within the ICT base revenue budget for the the current contract. The additional £2k annual cost of the new contract can be accommodated within existing budgets. In addition, a sum of £150k exists in the capital plan for a one off purchase of additional handsets in the 2019/20 financial year.

Finance comments

16. This report recommends acceptance of the successful three year tender for the supply of a new hosted telephony system at an annual cost of £136k and a one-off capital cost of £150k. The £2k difference between the new service revenue cost and the existing revenue provision can be managed within existing budgets. Based on a five year life and a 2.3 per cent interest rate, the annual debt charges for the capital expenditure would be £33.5k (£3.5k interest and £30k repayment) bringing the annual charge to £169.5k.

17. The report also notes that the scope of the existing contract is proposed to be extended, with the inclusion of a call logging functionality, and voicemail at area office sites. The additional costs were built into the overall solution cost.

Workforce comments

18. No staff side consultation is proposed on this report.

Legal comments

19. Under section 9 of the Policing and Crime Act 2017, the London Fire Commissioner (the "Commissioner") is established as a corporation sole with the Mayor appointing the occupant of that office. Under section 327D of the GLA Act 1999, as amended by the Policing and Crime Act 2017, the Mayor may issue to the Commissioner specific or general directions as to the manner in which the holder of that office is to exercise his or her functions.

20. By direction dated 1 April 2018, the Mayor set out those matters, for which the Commissioner would require the prior approval of either the Mayor or the Deputy Mayor for Fire and Resilience (the "Deputy Mayor").

21. Paragraph (b) of Part 2 of the said direction requires the Commissioner to seek the prior approval of the Deputy Mayor before "[a] commitment to expenditure (capital or revenue) of £150,000 or above as identified in accordance with normal accounting practices...".

22. The Deputy Mayor's approval is accordingly required for the London Fire Commissioner to procure a hosted telephony system at a total cost of £542,418

23. The statutory basis for the actions proposed in this report is provided by section 5A of the Fire and Rescue Services Act 2004 which allows the Commissioner to procure services they consider appropriate for purposes incidental to their functional purposes.

24. The General Counsel also notes that the proposed service has been procured in compliance with the Public Contracts Regulations 2015. The Crown Commercial Service have conducted a compliant OJEU procurement in accordance with section 33 of the Public Contracts Regulations 2015 to set up CCS framework RM1045 for Network Services, from which the Commissioner is able to make a compliant call off.

Sustainability implications

25. There are no specific sustainability implications arising from this proposal.

Equalities implications

26. The Public Sector Equality Duty applies to the London Fire Brigade when it makes decisions. The duty requires us to have regard to the need to:
- a) Eliminate unlawful discrimination, harassment and victimisation and other behaviour prohibited by the Act. In summary, the Act makes discrimination etc. on the grounds of a protected characteristic unlawful.
 - b) Advance equality of opportunity between people who share a protected characteristic and those who do not.
 - c) Foster good relations between people who share a protected characteristic and those who do not including tackling prejudice and promoting understanding.
27. The protected characteristics are age, disability, gender reassignment, pregnancy and maternity, marriage and civil partnership, race, religion or belief, gender, and sexual orientation. The Act states that 'marriage and civil partnership' is not a relevant protected characteristic for (b) or (c) although it is relevant for (a).
28. An equalities impact assessment (EIA) has been carried out in respect of the implementation of a hosted telephony system. As the report explains, the hosted telephony system simply replaces the previous on-premises telephony infrastructure. The EIA indicates that the system itself will not have a disproportionately adverse effect on any persons with a particular characteristic. The hosted telephony system works in the background and the telephony facilities and interactions with it, by both staff and members of public, are not expected to change materially.
29. Where the Brigade already has opportunities for those with a hearing disability to communicate with the Brigade, these will be supported by the new system and will continue. There is no impact on our disabled staff as there is no change to telephone equipment or processes.
30. The Brigade will continue to monitor any equality concerns that may arise during the planning and subsequent implementation of the hosted telephony system. The Brigade will use its existing policies and procedures to assist members of staff who require adjustments as a result of the deployment.

[Redacted]

[Redacted]

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