

Report to CABINET

Telephony Modernisation

Portfolio Holder:

Councillor Abdul Jabbar, Cabinet Member for Finance & Green

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22 March 2021

Reason for Decision

Since c.2004 Oldham Council has maintained a fixed-desk telephony and contact centre system that is out of date and in need of significant investment. This paper describes an opportunity to move to modernise the Council's Telephony system.

Recommendations

- To approve the preferred option in 4.3

TELEPHONY MODERNISATION

1 Background

- 1.1 Oldham Council currently uses a Mitel fixed-desk telephony service that enables internal and external telephone calls and provides Contact Centre functionality. This telephony system has been maintained in Oldham Council since c.2004, a number of key components are now falling end of life and would require significant investment. Nowadays there are more modern ways to provide a telephony service to organisations such as Oldham Council (and its Partners) that can better enable key Council strategies.
- 1.2 Modern, Public Cloud hosted, telephone systems can be accessed from anywhere, securely over the internet, and on a variety of devices including laptops, smartphones as well as traditional handsets. This type of provision is more suited to an organisation looking to enable remote working.
- 1.3 This approach positions Oldham Council to better serve our residents by keeping pace with wider technology trends. These include falling use of conversations via telephone and other modes of communication such as Teams and WhatsApp becoming more prevalent. Ofcom data shows this trend of falling voice calls and text messaging and increasing data consumption. The approach avoids significant investment in creating fixed capacity in council hosted systems, instead consuming a provision that can scale up, or down, depending on needs and is better placed to adapt and evolve with technology advances.
- 1.4 The proposed telephony provision is an enabler for emerging strategies and supports the following:
 - a. The Assets and Accommodation Strategy, by removing fixed telephones from most desks to enable greater flexibility for staff;
 - b. The Digital Strategy, by enabling fewer, better points of contact for residents;
 - c. Place Based Working, by enabling partner organisations to use the same telephony system on their mobile device.

2 Current Position

- 2.1 Oldham Council currently maintains a traditional, fixed desk telephony system provided by Mitel. Since 2004 this system has grown and adapted and now requires significant investment to bring it in line with the current standards and the council's needs. The system doesn't currently cater for remote working and lacks many modern features.
- 2.2 If left, the current provision will become less reliable and pose cyber security risks for Oldham Council.
- 2.3 Additionally, our staff have access to systems with overlapping features.
 - a. Microsoft Teams
 - b. Mitel Fixed Desk Telephony
 - c. A mobile phone (where necessary)

3 Options/Alternatives

3.1 Do nothing.

This option will see Oldham Council retain the outdated telephone system resulting in reliability and cyber security issues. This will be a strategic barrier.

Annual charges for mobile phones and fixed desk telephony remain the same.

3.2 Upgrade the current system.

This option would upgrade the current system, bringing it up to date with modern components, including those needed for Agile working. This would cost a projected £1.9m over 5 years and is not a good strategic fit.

3.3 Migrate to Cloud telephony system.

Allocate £1.6m from the current ICT Capital Programme to fund moving to a modern cloud-based Telephony system. This option is a strategic enabler, improves service availability and resilience and reduced cyber security risks.

4 Preferred Option

- 4.1 The preferred option is 3.3, Migrate to a Cloud telephony system.

5 Consultation

- 5.1 The approach has been circulated and endorsed by relevant council governance forums. Responses from specific areas can be found in sections 6 to 14 below.

6 Financial Implications

6.1 Revenue implications

The current revenue costs for telephony are £343k per annum. The breakdown is as follows.

- Daisy £62k p.a. – the Daisy contract ceases on the 31st March 2021. There is no budgetary provision beyond this period.
- Mitel £71k p.a. – this is included in the ICT core fee which is fully budgeted.
- EE £210k p.a. – costs in relation to the mobile phone contract are a direct charge to service budgets across the Council.

Upgrading the Mitel system would see an increase in Mitel/Daisy costs of £177k per annum. This would represent a revenue budget shortfall of £106k per annum for ICT.

The public cloud hosted solution would see costs reduce from 21/22 and based on the current budget of £71k would represent a saving of £18k to the ICT core fee. Beyond 21/22 there will no ongoing costs therefore there will be a saving of £71k to the ICT core fee. This saving would be fully utilised to address additional costs for the WAN programme which are currently unbudgeted.

EE costs in all scenarios will see a reduction of £50k per annum based on currently users.

(Nicola Harrop – Finance Manager)

6.2 Capital implications

The capital cost of the project will be £1.600m. There are resources available from within the Council's current ICT capital programme to finance the cost of the upgrade to the telephony system. The project is a key element of the Council Capital ICT Strategy on the Mobility principle which enables staff to work from where they need to, not where they have to and involves modernising end user devices.

(Lee Walsh – Finance Manager)

7 Legal Services Comments

7.1 There are no immediate legal issues arising from the report.

(Colin Brittain – Assistant Borough Solicitor)

8 Co-operative Agenda

8.1 This would act as an enabler for the integrated financial, support, advice and advocacy place-based offer in-particular that is currently under development.

The fact that this can be used by partners including those that have MS teams (like housing providers, Citizens Advice, commissioned services such as Positive Steps Early Help, etc.) is a real advantage and provides the critical step between remote and face to face help which is really needed.

This will be particularly useful for residents who are not coping and require some help especially with a few issues and could prevent the need for much face to face which can be

kept to an absolute minimum for complex cases or particular cohorts (e.g. those not digitally enabled).

(Vicky Sugars – Head of Reform)

9 Human Resources Comments

- 9.1 HR are in support of the approach and the intended outcomes. This is an enabler to agile working. We will work with ICT to help deliver the plan and we note the changes for starters and leavers that need to be considered at an appropriate point.

(Claire Ingle – Senior Strategic HR Business Partner)

10 Risk Assessments

- 10.1 In devising its preferred solution for telephony, the Council will need to consider from a risk perspective:

- Back-up arrangements in place including resilience and speed of recovery should the council be subjected to a serious cyber-attack.
- Technology which reflects the move to increased long term flexible working by staff not based as much in an office environment.
- Complies after installation with an appropriate security standard to minimize the risk of a security breach linked into a cyber incident.

The replacement of the present telephone system offers the opportunity to replace a technology asset with a more resilient system in the future

(Mark Stenson – Head of Corporate Governance)

11 IT Implications

- 11.1 This business case forms part of ICT Strategy and Roadmap and is a key component necessary for modernising the Council's interaction with residents.

(Chris Petrie – Head of ICT)

12 Property Implications

- 12.1 This proposal accords with the digital transformation initiative and would support more agile and working differently approaches, as part of the property related Accommodation Strategy.

(Peter Wood - Head of Strategic Assets & Facilities Management)

13 Procurement Implications

13.1 The Commercial Procurement Unit supports the recommendations outlined in the report. The procurement of the Unified Comms Platform will be via Crown Commercial Services Framework Agreement Network Services 2 RM3808 Lot 4 Direct Award.

(Senga Henstock – Unity ICT Senior Buyer)

14 Environmental and Health & Safety Implications

14.1 No comments.

Neil Crabtree (Head of Service – Public Protection)

15 Equality, Community Cohesion and Crime Implications

15.1 None.

16 Implications for Children and Young People

16.1 None.

17 Equality Impact Assessment Completed?

17.1 No.

18 Key Decision

18.1 Yes FG-01-21