

GREATER LONDON AUTHORITY

REQUEST FOR DEPUTY MAYOR FOR FIRE & RESILIENCE DECISION – DMFD30

Title: Hosted Telephony Services: Contract Award

Executive Summary:

Report LFC-0161 to the London Fire Commissioner seeks approval to accept a tender by Datix Limited with a value of £542k over the life of a three-year contract for the supply of a hosted (cloud-based) telephony service for the London Fire Brigade, with the current contract expiring on 31 July 2019.

The London Fire Commissioner Governance Direction 2018 sets out a requirement for the London Fire 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...”.

Decision:

The Deputy Mayor for Fire and Resilience:

Consents to the commitment of £542k for the procurement of hosted telephony services by Datix Limited for the London Fire Commissioner.

Deputy Mayor for Fire and Resilience

I confirm that I do not have any disclosable pecuniary interests in the proposed decision.

The above request has my approval.

Signature:



Date:

10/6/19

PART I – NON-CONFIDENTIAL FACTS AND ADVICE TO THE DEPUTY MAYOR

Decision required – supporting report

1. Introduction and background

- 1.1. In common with many organisations, all London Fire Brigade (LFB) 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 Headquarters, 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.
- 1.2. In addition to the above, the maintenance contract included support for corporate voicemail, operators' helpdesk and reception consoles, as well as the 'auto attendant' (greeting message and interactive switchboard facilities).
- 1.3. Work between LFB Information Management and Procurement colleagues resulted in a strategy with the objective of both ensuring continuity of support for the existing telephony infrastructure and moving away from legacy on-premise telephony infrastructure to a cloud-based solution.
- 1.4. 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.
- 1.5. The current contract continued support for existing infrastructure until May 2018 when all services were successfully migrated to the cloud.
- 1.6. 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.
- 1.7. Report LFC-0161 to the London Fire Commissioner sought approval to accept a tender for the supply of a hosted (cloud-based) telephony service for the London Fire Brigade. The Commissioner's Board have considered and recommended the proposal to the Commissioner, who has indicated in-principle support pending prior consent to spend from the Deputy Mayor. The Deputy Mayor for Fire and Resilience also considered the proposals to the Commissioner in report LFC-0161 at her Fire and Resilience Board on 14 May 2019 and indicated her support.

2. Objectives and expected outcomes

- 2.1. The London Fire Brigade's existing contract for the provision of telephony services 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.
- 2.2. That current contract is due to expire on 31 July 2019 and report LFC-0161 sets out the results of a re-tendering process and recommends that a new three-year contract be put in place.
- 2.3. The scope of the specification for the Brigade's replacement hosted telephony contract covers:
 - a) Provision of non-emergency telephony for headquarters, area and other offices, control and fire stations;
 - b) Provision of a voicemail facility;

- c) Provision of a concierge facility for reception;
- d) Provision of a moves / changes service;
- e) Continued support of a small amount of residual equipment;
- f) Interconnection with British Telecom (BT) for Public Switched Telephone Network (PSTN) services; and
- g) Additional service options (as described below).

- 2.4. 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:
- 2.5. **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 use of the service, is not ideal and it was agreed to reinstate this functionality in the new tender.
- 2.6. **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.
- 2.7. **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.
- 2.8. **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.
- 2.9. **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 by taking advantage of this opportunity, it will mean that a common approach could be offered 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.

3. Equality comments

- 3.1. The Public Sector Equality Duty applies to the London Fire Commissioner and the Deputy Mayor for Fire and Resilience when they make decisions. The Duty requires them 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.
- 3.2. 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).
- 3.3. 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.
- 3.4. 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.
- 3.5. 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.
- 3.6. The London Fire Commissioner (and the Deputy Mayor for Fire and Resilience at the Fire and Resilience Board on 14 May 2019) have considered the Duty, including those duties to advance equality of opportunity and foster good relations in the community, agreeing that no further actions are required.

4. Other considerations

Procurement

- 4.1. The LFB Director of Corporate Services initiated procurement for a replacement hosted telephony system on 4 November 2018. The tendering process was carried out by Information and Communications Technology and Procurement department staff, using an approved procurement framework.
- 4.2. 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.
- 4.3. The evaluation consisted of a number of mandatory pass/fail criteria. The price element was weighted at 30 per cent, and the quality element at 70 per cent.
- 4.4. The outcome of the tender evaluation process is outlined in appendix and the successful tenderer is Datrrix Limited at an annual cost of £136k.

Strategic drivers

- 4.5. Page 54 of the London Safety Plan says: "*The Brigade will look to explore the potential for other shared service arrangements to ensure that the Brigade offers the best value for money to the public.*". This commitment addresses both the Mayor's priorities for London-wide collaboration within the

Greater London Authority Group wherever appropriate. It also addresses the requirement upon the London Fire Commissioner from the statutory duty upon the Commissioner from the Policing and Crime Act 2017, cited in the National Framework for the Fire and Rescue Service in England, to:

- a) Keep collaboration opportunities under review;
- b) Notify other emergency services of proposed collaborations that could be in the interests of their mutual efficiency or effectiveness; and
- c) Give effect to a proposed collaboration where the proposed parties agree that it would be in the interests of their efficiency or effectiveness and that it does not have an adverse effect on public safety.

4.6. The proposals in report LFC-0161 directly address these strategic drivers.

5. Financial comments

- 5.1. Report LFC-0161 to the London Fire Commissioner 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 in 2019/20. 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.
- 5.2. 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.
- 5.3. The expenditure is to be funded through sums available to the Commissioner. There are no direct financial implications for the GLA.

6. Legal comments

- 6.1. 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.
- 6.2. 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").
- 6.3. 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...".
- 6.4. 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.
- 6.5. 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.

- 6.6. The General Counsel to the London Fire Commissioner 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.
- 6.7. In taking the decisions requested, the Deputy Mayor must have due regard to the Public Sector Equality Duty - namely the need to eliminate discrimination, harassment, victimisation and any other conduct prohibited by the Equality Act 2010 and to advance equality of opportunity and foster good relations between persons who share a relevant protected characteristic (race, disability, gender, age, sexual orientation, religion or belief, pregnancy and maternity and gender reassignment) and persons who do not share it (section 149 of the Equality Act 2010). To this end, the Deputy Mayor should have particular regard to section 3 (above) of this report.

Appendices and supporting papers:

LFC-0161 – 'Hosted telephony service: acceptance of tender'

Public access to information

Information in this form (Part 1) is subject to the Freedom of Information Act 2000 (FOI Act) and will be made available on the GLA website within one working day of approval.

If immediate publication risks compromising the implementation of the decision (for example, to complete a procurement process), it can be deferred until a specific date. Deferral periods should be kept to the shortest length strictly necessary. **Note:** This form (Part 1) will either be published within one working day after approval or on the defer date.

Part 1 Deferral:**Is the publication of Part 1 of this approval to be deferred? YES**

If YES, for what reason: The London Fire Commissioner's commercial interests require the deferral of the publication of the Deputy Mayor's decision until after the award of contract and the subsequent cooling off period.

Until what date: 1 September 2019

Part 2 Confidentiality: Only the facts or advice considered to be exempt from disclosure under the FOI Act should be in the separate Part 2 form, together with the legal rationale for non-publication.

Is there a part 2 form – NO

ORIGINATING OFFICER DECLARATION:

Drafting officer to confirm the following (✓)

Drafting officer

Andrew Nathan has drafted this report with input from the LFC and in accordance with GLA procedures and confirms the following:

✓

Assistant Director/Head of Service

Tom Middleton has reviewed the documentation and is satisfied for it to be referred to the Deputy Mayor for Fire and Resilience for approval.

✓

Advice

The Finance and Legal teams have commented on this proposal.

✓

Corporate Investment Board

This decision was agreed by the Corporate Investment Board on 10 June 2019.

EXECUTIVE DIRECTOR, RESOURCES:

I confirm that financial and legal implications have been appropriately considered in the preparation of this report.

Signature

M. D. Allen

Date

10.6.19

