

NHSBT Board
July 2018

Fixed and Mobile Telephony Contract Extension

1. Status – Commercial in confidence

2. Executive Summary

NHSBT hosts its telephony system with Vodafone as part of a managed service contract which comes to an end in February 2019 and there are two one-year contract extension options available. This contract also includes the provision of all NHSBT mobile telephones and mobile data.

At original contract award in 2016 approval was given to migrate from a legacy Cisco Call Manager system to a Cloud based telephony service from Vodafone called Vone-C. This migration proved more complex than originally considered, did not fit neatly with the technology choices made for the new desktop, and this has not completed leaving NHSBT with the same telephony system today as was in place at contract renewal and due to its age lacking vendor support.

The output of a recent planning exercise in relation to how NHSBT will transition to a supported platform is to ask Vodafone and Cisco to renew the out of support Hardware and upgrade the Software to latest supported versions. The Executive have approved this approach.

In addition, an advanced Contact Centre application will be introduced. This was originally proposed in the 2016 Business Case and will now be implemented against the upgraded Cisco Telephony system.

Project costs are £909K. Annual revenue will reduce to £561K a saving against current baseline of £166K per annum subject to approval of the contract extensions from February 2019.

In addition, this same contract includes Mobile telephony and contract renewal will reduce this spend to £354K per annum against a current anticipated spend of £492K. There are some variations in monthly spend due to the amount of mobile data and voice calls being consumed.

The cost of the two-year extension in total for fixed, mobile telephony and mobile data is £1.830m against a current spend of £2.438m.

3. Action Requested

The Board is asked to:

- **Approve the extension of NHSBT's Telephony contract with Vodafone for a period of two years up until February 2021 at a cost of £915k per annum.**

4. Purpose of the paper

- 4.1 The purpose of this paper is to request approval from the Board to extend NHSBT's telephony contract with Vodafone for an additional two years at a cost of £915k per annum by exercising both one-year extension options available.

5. Background

- 5.1. In February 2016 NHSBT commenced a new telephony contract with Vodafone for fixed line telephony, mobile telephones and mobile data.
- 5.2. This was the beginning of a three-year service contract with Vodafone ending in February 2019 with two one-year extension options. Service provision to date has been good with no significant service outages.
- 5.3. The Contract award in 2016 included a migration from NHSBT legacy Cisco telephony system to a Cloud based service called Vone-C. The complexity of this cloud migration was underestimated and, following the decision to rollout the new Windows 10 desktop, would have resulted in NHSBT having duplicate technologies. This migration therefore did not take place.
- 5.4. The only spend incurred by the project was in detailed design work which is where the complexity was realised. The rollout of an improved wifi capability across the NHSBT estate was prioritised in order to maximise the use of the new desktop. The original proposal included an anticipated annual saving of £60k which has not been realised.
- 5.5. The Project has been flagged at Red for over 12-months without a clear way forward.
- 5.6. ICT has recently completed a planning exercise looking at how NHSBT will transition away from this legacy system and has concluded that with only 6 months left on the current contract and the option for two, one-

year extensions that the most viable option is to upgrade the current system to a supported version.

- 5.7. The Contact centre application included as part of the original Business Case will be implemented at the same time.
- 5.8. The new proposed solution will reduce NHSBT's telephony costs of £166k per year.
- 5.9. NHSBT will also continue to consume Mobile Telephony through Vodafone with a reduction in annual spend of £138K.

6. Proposal

- 6.1. It is proposed that NHSBT exercises both one-year extension options available as part of the contract with Vodafone to ensure continuity of Telephony services until February 2021 at a cost of £915k per annum.
- 6.2. Extending by this period will provide NHSBT with a suitable amount of time to undertake the associated procurement and migration work ahead of the Vodafone contract expiry in February 2021 with no further extension options.

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