

---

|                          |  |
|--------------------------|--|
| <b>Subject:</b>          | <b>PHONE SYSTEM REPLACEMENT</b>  |
| <b>Report of:</b>        | <b>Mike Davis, Strategic Director (Corporate Resources)</b>                                    |
| <b>Portfolio Holder:</b> | <b>Councillor Vinson, Portfolio Holder for Finance, Governance, Digital and Climate Change</b> |
| <b>Decision Type:</b>    | <b>Executive Non-Key Decision</b>  |
| <b>Classification:</b>   | <b>Unrestricted</b>  |

---

|                               |   |
|-------------------------------|---|
| <b>Purpose of the report:</b> | Replacing the Avaya telephone system with Microsoft Teams.                          |
| <b>Recommendation:</b>        | To approve a new project replacing the Avaya telephone system with Microsoft Teams. |

---

## 1. Summary

1.1 To replace the current Avaya phone system with Microsoft Teams Direct Routing, allowing phone calls to be made/received using Microsoft Teams.

## 2. Introduction and Background

2.1 The support contract with Adept for the Avaya phone system was extended for 12 months in June 2021. The contract extension is due to finish in June 2022.

2.2 The current Avaya phone system consists of multiple pieces of hardware based in Thanet, Canterbury and Dover. The system runs over 500 DDC staff phone numbers, with this number currently increasing with Port Health expansion. It also provides voicemail, call menus and groups to allow a single number to call a specific team.

2.3 Since installation in 2018, the Avaya phone system has had a poor reputation within DDC for usability and does not work well with hybrid working due to the requirement for connection to the DDC office network to enable all features. The mobile app which staff can use on their mobile phones is also not easy to set up and has also proven unreliable.

2.4 As DDC are adopting a Cloud-first approach to new solutions being procured, this gives an opportunity to further the integration with Microsoft 365 and remove more on-premise hardware required across these locations.

2.5 Microsoft Teams has been a fundamental tool for communications for over 18 months. Staff have already adopted Teams as the system used for chat, internal audio calls, video calls and meetings. As well as the methods DDC currently uses in Teams, it is also capable of being a telephone system using virtual phone lines through the Internet referred to as SIP/Direct Routing. SIP is used currently with the on-premise Avaya solution, but the SIP/Direct Routing lines will all be Cloud-based.

2.6 The current SIP lines are provided by Gamma. The SIP/Direct Routing lines can also be provided by Gamma.

2.7 On-premise solutions such as the Avaya phone system have a more front-loaded cost due to the hardware and installation required. Cloud-based solutions are using infrastructure already in the Cloud so the payment for this is for the use and management of the existing system. Cloud solutions remove the maintenance/support requirement of running an on-premise solution and have a higher availability rate as they do not rely on power and Internet to a single location.

### **3. Identification of Options**

3.1 Option 1 - Stay as is; tender for support contract for Avaya Phone System.

3.2 Option 2 - Microsoft Teams Direct Routing.

### **4. Evaluation of Options**

4.1 The option to continue to use the existing Avaya phone system has been considered. Ongoing annual costs for support and Gamma SIP lines for the current solution is £42,000, making this a more expensive option. This cost only supports the current hardware which is over 5 years old, replacing the current solution would cost £113,000. As well as being more expensive, this option does not adhere to the Council's Cloud agenda and keeps a key system tied to Canterbury and Thanet datacentres. TDC have already migrated from the shared Avaya solution.

4.2 The Teams Direct Routing solution is fully Cloud-based, removing the need for supporting/maintaining on-premise hardware and making it better suited for hybrid working and follows the Council's Cloud agenda, separating another system from reliance on Canterbury and Thanet's data centres. The annual cost is £56.22 per user, based on current staff figures, the cost is £31,000 per year. Support/maintenance is included in this cost.

4.3 Staff can make/receive and manage calls all through the Microsoft Teams app which they are used to using for internal communications (audio/video calls, meetings, chat). For common areas such as meeting rooms, desktop handsets will be provided which connect to the new solution without need for a computer.

4.4 Due to staff having used Microsoft Teams for 2 years, the change management and training required will be reduced as handling telephone calls in Teams is very similar to internal calls via Teams staff use daily.

4.5 As the Microsoft Teams phone system follows the Council's policy to relocate/remove hardware from Thanet's datacentre and give benefits of a more streamlined interface, it has been chosen as the replacement for the Avaya solution, after completion of a proof-of-concept trial in February 2022 for one month, with full migration to be completed by July 2022.

### **5. Resource Implications**

5.1 We have compared costs between procuring the phone lines through Gamma direct or through KPSN (Kent Public Services Network) via our agreement with KCC, by adding the lines to the existing KPSN contract we can save over 60%. This contract is procured through East Kent Services.

5.2 The annual cost is £56.22 per user, based on current staff figures, year 1 cost is £31,000, this is dependent on exact staff numbers during implementation. Some of this will be paid for by Port Health (approximately £5,000) and a percentage from the HRA.

5.3 There is £33,000 included in the approved ICT reserve for this project to cover year 1 costs, an extra £2,000 is included in case implementation support is required from the supplier. Subsequent years will be revenue costs.

### **6. Climate Change and Environmental Implications**

6.1 None.

### **7. Corporate Implications**

- 7.1 Comment from the Strategic Director (Corporate Resources) (linked to the MTFP): The report has been passed for comment by the Strategic Director (Corporate Resources) and Accountancy in line with the MTFP. The funding for this project is in the ICT Reserve and was listed in the MTFP of potential projects for 22/23. We are therefore happy for this project to be approved and have no further comments. (LS)
- 7.2 Comment from the Solicitor to the Council: The Solicitor to the Council has been consulted in the preparation of this report and has no further comments to make.
- 7.3 Comment from the Equalities Officer: This report does not specifically highlight any equality implications, however in discharging their duties members are required to comply with the public sector equality duty as set out in Section 149 of the Equality Act 2010 <http://www.legislation.gov.uk/ukpga/2010/15/section/149>
- 7.4 Other Officers (as appropriate):
8. **Appendices**  
None.
9. **Background Papers**  
KPSN/Trustmarque Quote (3yr) – 20 lines  
Gamma Direct Quote (e-mail)

Contact Officer: Abi Robinson, Digital Services Manager