

CAIRNGORMS NATIONAL PARK AUTHORITY

FOR DECISION

Title: NEW CNPA TELEPHONE SYSTEM

Prepared by: Andy Rinning, Business Services Manager

Purpose

To seek approval of the Finance Committee to the expenditure required to meet the costs of the installation of a new telephone system for the CNPA offices.

Recommendations

The committee approves the funding of £40,000 for this project.

Executive Summary

The current telephone system is old in terms of information technology and the recent failure of the Ballater system highlights the fragility of the Park Authority's communications system. The organisation needs a modern robust and reliable telephone system to support both internal and external communications.

Given the fragility of our current telephone system we have decided to proceed with the installation of a new system compatible with that installed at Loch Lomond – in the expectation that networks will be shared at some future point. The new system will cost in the region of £40K and provide a modern internal communications package with free calls between Grantown and Ballater. In addition we expect to achieve annual savings of some £5k per annum over our current call package.

CAIRNGORMS NATIONAL PARK AUTHORITY
EXPENDITURE JUSTIFICATION/(PROJECT PROPOSAL)

1. Title

New Telephone System for CNPA Offices at Grantown and Ballater
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2. Expenditure Category

Operational Plan		Code	Programme10	Procurement	
Programme:				Grant	
Core or Project spend		Code		Capital	√

Is this spend to be funded from an existing budget line, existing line with additional funds or is it a totally new spend?	£	Existing budget	
	£	Additional	
	£ 40,000	New budget	√

3. Description

- Brief overview of project/activity including cost summary
- Specific elements for which support is sought (if not whole project/activity)

<p>Our current telephone systems at both Grantown and Ballater were installed in 2003. It was then a modern information technology solution which met the needs of the organisation over the years but with the advancement of technology our system is now considered to be old in communication terms. Recently the software for the Ballater system crashed and we were advised that our particular system was no longer supported by the manufacturers. Fortunately the supplier of the system identified an alternative software package to allow the system to function but he could not guarantee any degree of longevity or future repair. There is a clear need to consider an alternative communications system for the organisation. As part of the shared services project with Loch Lomond we had been discussing joining computer networks but both broadband speed and price proved prohibitive at this stage but will remain under review. Part of the discussion included a joint telephone system which would have provided calls free of charge between Loch Lomond, Grantown and Ballater – with potential to other public service partners who have a similar system. Given the fragility of our current telephone system we have decided to proceed with the installation of a new system compatible with that installed at Loch Lomond – in the expectation that networks will be shared at some future point. The new system will cost in the region of £40K and provide a modern internal communications package with free calls between Grantown and Ballater. In addition we expect to achieve annual savings of some £5k per annum over our current call package. The new system will be installed by BT.</p>

4. Rationale and Strategic Fit

- Why is the Park Authority considering investing staff and/ or financial resources in this project?
- Objectives/intended beneficiaries
- Evidence of need and demand
- Why is the Park Authority considering investing
- Fit with National Park Plan/Corporate Plan/other relevant strategies
- Linkages to other activities/projects
- What contribution may be made to improving KPI's?

The current telephone system is old in terms of information technology and the recent failure of the Ballater system highlights the fragility of the Park Authority's communications system. The organisation needs a modern robust and reliable telephone system to support both internal and external communications. Discussions had taken place with LL&T about a joint computer network facility which included telephony, as part of the shared services proposal arising from the strategic review of National Parks,. The cost of a joint network system proved prohibitive but given the need for CNPA to proceed with the installation of a new telephone system agreement was reached to install a similar system to that installed at LL&T. Should a joint network project proceed, further savings will be achieved through free calls between CNPA and LL&T. This project meets the requirements of the shared services principle and clearly demonstrates how both Park Authorities can work together effectively to deliver a common service.

5. Option Analysis

- Are there other ways in which the above objectives could be achieved?
- If so, why is this way the preferred option?

A new telephone system is required for the organisation and the proposed option meets the shared services principle.

6. Risk Assessment

- Strategic, Organisational Risks: Does the project assist in managing or reducing any of the strategic risks identified by the Audit Committee or Management Team? Please reference the Strategic Risk Register and specify which risks are addressed through the project and how these risks are addressed.
- Project Risks: Are there risks to the CNPA in funding this project/activity?
- Are there risks in the project/activity not being delivered to required timescale/quality?
- Comment on the likelihood of such risks occurring, their potential impact, and (where appropriate) any action that would be taken to mitigate the risks.

The main risk is that the project goes over timetable due to unforeseen technical reasons

and supplier issues. Agreement to proceed was subject to the new system being delivered and installed by end March 2011 to meet current budget arrangements. The project will be set up to minimise this risk through regular meetings with the supplier's project manager and careful monitoring of the project plan and budget.

7. Costs and Funding

- Detail the financial costs of the project/activity
- Detail the sources of funding
- Justification also needs to be given if the CNPA is the major funder
- Detail any non-monetary costs to the CNPA (such as Member or staff input)

The cost of implementing the project is estimated at £40,000 and will be met from the additional funding provided by Scottish Government for the 2010-11 financial year. Annual maintenance costs are estimated at £1,800.

8. Funding conditions

- Detail the project specific conditions that need to be included in any contract for services or grant offer letter in order that CNPA obtains the intended outcomes and Value for Money
- In the case of grant offers, our Financial Memorandum requires that SG agree these conditions in advance of the grant offer being made

Agreement to proceed is subject to delivery and installation by 31 March 2011.

9. Deliverables/ Impact Assessment including Equalities

- Could the project have any discriminatory or negative effects on particular groups?
- Have opportunities been taken to promote equality within the project design?
- Does the project fall within one of the Park Authorities priority areas for considering equality impacts?
- What end products/outputs will be delivered?
- How will success be measured?
- How will the project be monitored and what will be the feedback to the CNPA?

On completion of the project CNPA will have a modern and reliable telephone system and it is not anticipated that there will be any discriminatory or negative effects apart from a short learning curve for staff familiarity with the new system. Training will be provided by the supplier with assistance from LL&T staff. A similar system is in use in LL&T and feedback from LL&T staff is positive.

10. Value for Money

- In view of the costs, do the deliverables appear to offer value for money? (consider cost of comparable projects, where available).

This project will be delivered by a sole supplier and approval has been sought from SG. The rationale is that this work forms part of the CNPA / LL&T shared services project. The expectation is that we will share networks and as a consequence achieve further savings in the longer term.

11. Exit or Continuation Arrangements (where applicable)

- If this is not a discrete, time-limited, project or piece of work, what are the exit/continuation arrangements for when CNPA support ceases?

This is a one off contract with the suppliers which is expected to be installed and fully signed off by March 2011.

12. Additionality

- Does this work/project substitute for or duplicate work being carried out or proposed by others?
- What would be the effects of the CNPA not supporting the project? Would it proceed without CNPA support?

There is no additionality in proceeding with this project. The final solution will replace the current CNPA telephone system and offer a more modern and reliable system.

13. Stakeholder Support

- Have the organisations and/or communities that would have an interest in this work/project been involved, and are they supportive?
- If supporters are also not funders an explanation may be required.

The main stakeholder in this project is CNPA. Because of potential future sharing LL&T have been consulted.

14. Recommendation

This project will deliver a fully functional modern and reliable telephone system for both CNPA offices plus compatibility with the system currently installed in LL&T. I therefore recommend that the Park Authority meets the cost of this project estimated at £40,000.

Signature: _____

Date: 8 February 2011

Name: Andy Rinning

15. Decision to Approve or Reject

Corporate Services Director

Name:	Signature:	Date:
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Chief Executive

Name:	Signature:	Date:
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Finance Committee

Name:	Signature:	Date:
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Board

Not applicable – below approval limits		
Name:	Signature:	Date:

Scottish Government

Not applicable – below approval limits		
Name:	Signature:	Date: