

The Excessive Cost of Doing Nothing

A tale of two councils...

Moving on-premises communications systems to the cloud may not be a priority for councils. But staying with an under-performing system is far more expensive when you factor in licensing, hardware and rising maintenance costs.

Cloud communications provide flexible, low cost operating models with real savings for local authorities. That makes it a future proof alternative to on-premises communication tools.

How much could your council save with cloud communications?



Loamshire District Council*

Profile:

- Fiscally conservative, risk-averse management
- Wait for technology to become mainstream
- Some interest in cloud due but not fully committed

Situation:

- Management feel on-premises systems meet their needs
 - No IT auditing to verify business needs
- Choose to proceed with "business as usual", keeping on-premises PBX

Current Communications Systems:

- On-premises PBX
- Video Collaboration
- Web Conferencing
- Mobile Communications

On-premises communications systems can cost up to **50% more** than modern cloud communications systems

Hartfield Local Authority*

Profile:

- Proactive management team
- Understand the value of cloud communications
- Considered as digital pioneers and innovators

Situation:

- IT audits confirm inefficiencies and business needs
 - New initiatives to migrate on-premises communications to the cloud

Year 1

On Premises communications system

260 Employees



- Capital costs: **£70,865**
- Operating costs: **£82,908**
 - Annual Line rentals, Unified communications and collaboration service fees, and maintenance

Cloud communications system

260 Employees



- Capital costs: **£13,921**
- Operating costs: **£24,888**
 - Service fees

Year 1 - Bottom line



Risks:

- Inefficient multivendor communications for voice, video, messaging and collaboration
- System outages can harm Loamshire's reputation and service delivery



Strategic benefits:

- Improved communications and collaboration internally and with service delivery partners
- Continuous communications, even during unforeseen events
- Flexible working initiatives for staff

Year 2

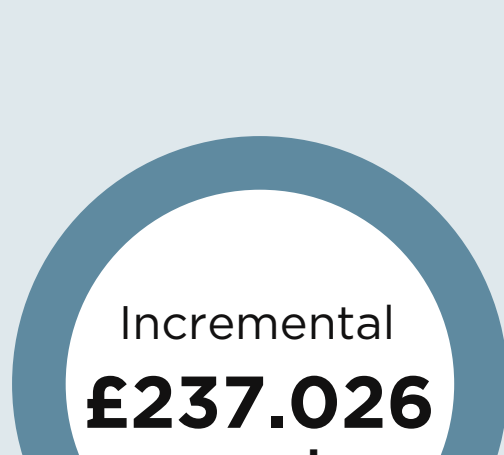
On Premises communications system

- Operating costs: **£83,253**
 - Annual Line rentals, Unified communications and collaboration service fees, and maintenance

Cloud communications system

- Operating costs: **£24,888**
 - Service fees

Year 2 - Bottom line



Risks:

- High upgrade costs associated with keeping server environments up-to-date
- Slow responses to increased citizen call volumes during busy periods



Strategic benefits:

- Maintenance free communications with evergreen software releases
- Realignment of IT resources to strategic priority areas

Year 3

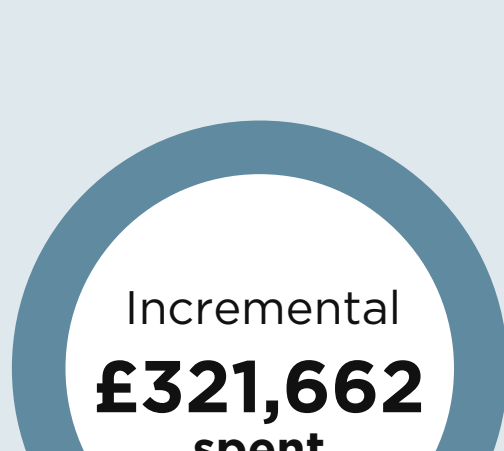
On Premises communications system

- Annual Line rentals, Unified communications and collaboration service fees and maintenance: **£84,635**

Cloud communications system

- Annual service costs: **£24,888**

Year 3 - Bottom line

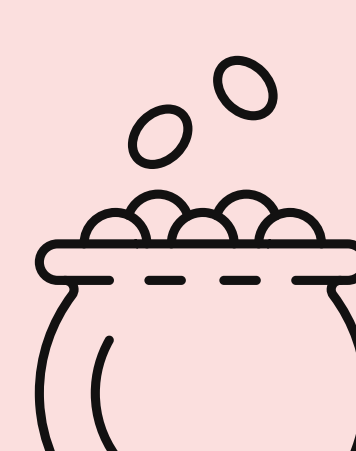


Poor value for money:

- Unable to deliver planned savings
- Undermines confidence in local services
- Demonstrates weakness in governance

Risks:

- Expensive to add new features quickly
- Fragmented visibility into communications



Savings invested in:

- Children's services
- Community care centres
- Social housing

Strategic benefits:

- Immediate access to new communication or collaboration capabilities
- Deep insights across all communications

On-premises communications system cost Loamshire Council £321,662 over 3 years.

They also "lost" thousands on hardware maintenance, server licenses, manpower, and other costs.

Cloud communications savings aren't just a tall tale:

The above figures are based on real-world results from forward-thinking UK councils replacing on-premises PBX systems with cloud communications technologies.

Tell your tale...

Is your path to success hindered by on-premises communications systems like Loamshire Council? Or is your tale a success story like Hartfield Local Authority?

Ready to rein in spiraling communications costs from on-premises PBX systems? 8x8 can help you move to a cloud communications platform, saving your council money and help you deliver better citizen outcomes.

For more information, call 0333 043 8888 or visit 8x8.com/uk-public-sector

8x8

Notes:

- This infographic is for illustrative purposes only and is not a guarantee of financial results.
- The figures are calculated using 8x8 ROI calculator.
- Loamshire District Council and Hartfield Local Authority are fictional council names.