

Cabinet

Date 26 September 2019

Report of:	Portfolio Holder Corporate Governance, Access and Engagement
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CUSTOMER ENGAGEMENT AND SELF-SERVE PLATFORM APPROVAL

1.0 Corporate Priority:	Decision Type:
1.1 OG1 Delivering quality services to business and residents, understanding what matters to our customers	Key Decision
1.2 Maintaining a personal approach, but harnessing appropriate technology to make our services more accessible and fit for the digital economy.	

2.0 Summary:
2.1 The Council has completed a procurement process for a customer engagement and self service platform that will improve services to customers and productivity within the Council.
2.2 Following the procurement process, this report seeks Cabinet approval to award the contract and the necessary funding to support the implementation.
2.3 Awarding the contract will help to support the delivery of the Service Strategy for Customers 2015-2020.

3.0 Recommendations
3.1 That Cabinet authorise the award of the contract for a customer engagement and self-serve platform to the chosen supplier.
3.2 That Cabinet approve £120k be allocated from funding received from the business rates pilot to the project, and note that the previous intended use of the Corporate Priorities Reserve is no longer required.
3.3 To delegate authority to the Director of Law & Governance to draft and/or finalise any necessary legal documentation

4.0 Reason for Recommendation:
4.1 The Council undertook a full procurement process which identified the chosen supplier as the preferred bidder against the award criteria.

5.0 **Alternate Options Considered**

- 5.1 The Invitation to Tender resulted in 10 tenders being received. Four of these tenders were excluded at the Standard Selection Questionnaire (SSQ) stage. Six tenders were then evaluated. The top four bidders were then asked to present to a wider group of staff drawn from across the Council and follow-up visits were made to Councils currently using these systems to view their operation.
- 5.2 Failure to adopt the winning tender will render the procurement process void leading to the need to run a complete new procurement exercise.

6.0 **Report Detail**

- 6.1 The Council is committed to improving service quality to our customers and initiated a procurement process to identify a new digital self-service platform to help facilitate this. The new Customer Engagement and Self-Serve Platform will act as a catalyst for transforming the customer journey for services across the council. The chosen supplier's platform will facilitate a greatly improved customer journey, alongside being flexible to meet the demands of customers over a 5 year period.
- 6.2 The current Customer Relationship Management (CRM) system used by Customer Services to manage all contacts with the Council has been unsupported by the supplier since April 2018.
- 6.3 Customers are currently able to self-serve for a number of transactions using My Account which is provided by Agilisys. The contract for this comes to an end in March 2020 because Agilisys are withdrawing the product and not providing a replacement.
- 6.4 Work previously undertaken, feedback and Officer experience from handling transactions pointed to duplication, hand-offs and a lack of flexibility which all contribute to a lower quality customer journey for many people contacting the Council. In addition the website service offer is currently limited.
- 6.5 The chosen supplier's product will replace the functions for the current CRM and My Account systems. The 5-year contract, with an option for a further 5 years, provides stability and creates significant potential to improve service to customers.
- 6.6 The supplier's product is straightforward and intuitive to use – for both customers and staff. It provides a single record of each customers contacts with the Council and using a single sign-on (access through a single point) allows customers to self-serve across a range of services, only inputting their details once. The system provides integrations that connect with back-office systems in real time. This provides a quicker response for customers (with the ability for them to track the progress of interactions) and avoids the need for staff to re-enter information.
- 6.7 The specification set out in the Invitation to Tender listed essential and desirable requirements. The supplier's product meets all of the essential requirements and the majority of the desirable ones.

- 6.8 Whilst the supplier will deliver the majority of the implementation it is important that we provide technical support (an “expert user”) both during the implementation and in an on-going support and development role. In order to maximise the benefits of the product beyond the implementation and to deal with other issues around the web site there is also a need for web development support to be provided. We are currently assessing the extent and exact requirements of these support requirements.
- 6.9 The supplier’s system will provide the means for those people that are willing and able to self-serve to do so across the broadest range of council services. This will allow more time for staff to provide the necessary help and support for people with more complex issues.
- 6.10 Adopting the supplier’s solution will allow the use of Whitespace integration for the waste management contract (allowing customers to report missed bins, order bulky waste collections and report fly-tipping etc. via self-serve). This needs to be done as soon as possible so as to meet the requirements within the waste contract.

7.0 Consultation and Feedback (including Scrutiny Committee)

- 7.1 The specification within the Invitation to Tender was developed with input from a wide range of people including users of the current CRM system and revenues and benefits staff, liaison with Service Managers and the Senior Leadership Team and feedback from elected members.
- 7.2 Previous work undertaken by the Council had identified a number of shortcomings with current systems.
- 7.3 The top four bidders were invited to deliver presentations which were attended by a wide range of staff. A visit was also undertaken to a local authority using each of the top four systems to view them in a “real world” environment. These presentations and visits helped the procurement panel to understand the tenders and clarify questions that had been raised during the process.
- 7.4 The intention is that we will engage directly with customers during the implementation stage to ensure the views of potential users of the system are fully taken into account.

8.0 Next Steps

- 8.1
- Call-In period 27 September to 03 October inclusive
 - Award decision (notification of award to the successful bidder and the unsuccessful bidders) 04 October
 - Standstill period 05 October to 14 October inclusive
 - Award contract 15 October
 - Contract signed and go-live by 28 October
 - Implementation November 2019 to April 2020 inclusive.

9.0 Financial Implications

9.1 See Appendix A – Exempt

9.2 The higher figure in 2019/20 results from the contract estimated to commence in November, but a need to retain the systems to be replaced until the end of the financial year. Whilst departmental underspends have been identified to address the projected shortfall in year one it should be noted that the overall forecast for the financial year 2019/20 is a shortfall, as such there is a risk of overspend at the end of the current financial year on the general fund. However past experience has shown that further savings are often identified towards the end of the financial year.

9.3 The Council has secured funding from the Business Rates Retention Pilot of circa £300k and it is proposed that £120,000 be allocated to the Customer Engagement and Self-Serve Platform implementation to cover Project Manager costs (£25,000), additional funding for a system expert (£15,000) and implementation costs (£80,000). The use of this funding on this project meets the priorities set out in the bid in terms of financial sustainability where the bid sets out the intention to use some of the funding on cost reduction activity. Specifically set out in the bid was the intention to invest in “digital development and adoption of more innovative service models to improve customer services and productivity, and to reduce cost”. The spread of the cost by the proposed tenderer is likely to require a reserve to be set up to ensure the funding matches the spending profile.

10.0 Legal and Governance Implications:

10.1 It is the duty of the Head of Paid Service to set out the manner in which the authority should discharge its functions and how they are coordinated. This includes setting out the number and grades of staff required by the authority for the discharge of their functions and the appointment and proper management of the authority’s staff. Decisions regarding changes to staffing have been delegated to the Head of Paid Service which enables him to take decisions in relation to the establishment within budgetary parameters providing HR implications have been considered.

10.2 The Council has the power to enter into contracts in order discharge its functions (Local Government Act 1972, s111 and the Local Government (contract) Act 1997, s1).

10.3 The Local Government Act 1972 requires the Council to have regulations for how it enters into contracts. In addition to complying with all relevant UK and EU legislation every contract entered into on behalf of the Council must also comply with the Council’s Contract Procedure Rules and the Council’s Financial Regulations

11.0 Equality and Safeguarding Implications:

11.1 There are no direct equality and safeguarding issues arising from this report

11.2 The supplier has confirmed that their product meets current accessibility requirements.

12.0 **Community Safety Implications:**

12.1 There are no community safety issues arising from this report.

13.0 **Other Implications**

13.1 No other implications have been identified.

14.0 **Risk & Mitigation:**

14.1 The key risk is that The supplier fails to deliver one or more elements of the contract. This risk is mitigated by the clear specification and draft contract issues with the Invitation to Tender followed by robust project and contract management and implementation being delivered using agile methodology.

14.2 A second risk is that additional expenditure, beyond that approved, is subsequently required. This risk is mitigated by close monitoring of project spending and robust project and contract management.

14.3 Melton is part of the Leicestershire ICT partnership. The other 3 partners all use a different CRM and forms software package. This means that it will be more difficult to share development costs and gain economies of scale through sharing development knowledge and costs. However it is considered that the supplier offers a suitable platform for the council to achieve its aspirations.

14.4 There is a need to implement the Whitespace integration element of the waste management contract as soon as possible to avoid a £30k financial penalty. Whitespace are content currently not to apply the penalty but there cannot be any delay in the planned timetable.

14.5 We will need to provide some technical input for the implementation and on-going support of the supplier's system. Failure to do so could mean the implementation is compromised and/or takes longer or increases the suppliers costs.


14.6	L I K E L I H O O D	A	Very High				
		B	High			5	
		C	Significant		4	3	
		D	Low		2,6	1	
		E	Very Low				
		F	Almost Impossible				
				Negligible 1	Marginal 2	Critical 3	Catastrophic 4
IMPACT							

Risk No	Risk Description
1	Supplier fails to deliver on one or more elements of the contract.
2	Additional expenditure is required.
3	Use of alternative software to the remaining LICTP means there is no joining up of development and as a result Melton may have higher ongoing costs than it would otherwise.
4	The software is not implemented in time to avoid a £30k penalty by the waste contractor for failure to implement the whitespace product.
5	Failure to secure the required technical resources needed to implement the supplier's product.
6	That the necessary savings in 2019/20 are not identified leading to an overall overspend the general fund.

Background Papers:
N/A

Appendices
Appendix A: Exempt

Report Timeline:	Date:
Equalities Check & Challenge	
SLT Sign off	
Previously Considered by Cabinet	
Director Approval	11.09.19
Legal Approval	16.09.19
Finance Approval	18.09.19
Chief Finance Officer Sign Off	18.09.19
Monitoring Officer Sign Off	16.09.19

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