



Report for:	Cabinet on 20th January 2015	Item Number:	
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Title:	Award of Contract for Customer Platform
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Report Authorised by:	Tracie Evans, Chief Operating Officer
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Lead Officer(s):	Andrew Rostom, Customer Transformation Programme manager Carla Segel, Asst Head Revenues, Benefits & Customer Services
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Ward(s) affected: All	Report for Key Decisions: Key
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1. Describe the issue under consideration

- 1.1. The purpose of this report is to seek approval from Cabinet to award a contract for the provision of a Customer Platform in order to support delivery of the Customer Services Transformation Programme (CST).
- 1.2. This is a digital solution where customers will benefit from access to a single “my account” through the Council’s website where they can see and manage all their interactions with the Council in one place and where their basic details are stored securely so they do not have to be repeated at every transaction (e.g. address, DOB etc).
- 1.3. This digital platform will also provide a single portal which aims to:
 - Drive self service transactions thereby making transactions easier and faster
 - Integrate information into back office applications saving time and improving accuracy
 - Automate processes as much as possible to enable officers to spend time on more complex activities.
- 1.4. The programme rollout is scheduled over 3 years and will prioritise high volume / key areas first, with the first areas targeted to go-live in October 2015. As part of the programme plan we will work with stakeholders including residents and businesses on the design and testing to gain views and feedback.

2. Cabinet Member Introduction



Haringey Council

2.1. The CST Programme is a large complex programme tasked with delivering a number of improvements, changes and financial benefits over the next five years as part of the Council's revised corporate plan. As well as supporting a number of the revised corporate priorities it mainly supports one of the main cross cutting themes:

"Customer focus – placing our customers' needs at the centre of what we do"

2.2. The CST programme will enable the council to transform into a more customer focussed organisation, but this level of transformational change will require technical and digital building blocks (e.g. a customer platform) to be in place so that:

- Customers can access council services more efficiently through digitally enabled web based technology and by using a "MyAccount" as self-service access to our services.
- Council staff are equipped with the systems and capabilities they need to support customers where needed and enable them to provide right first time, quicker responses to their requirements.

3. Recommendations

3.1. That Cabinet agree the award of a contract for a Customer Platform to Agilisys Limited in accordance with Contract Standing Order (CSO) 9.06.1(d) in principle, subject to confirmation of funding which will be confirmed as part of agreeing the overall budget package (at the Cabinet meeting in February 2015).

3.2. That the contract is awarded for a period of 3 years with an option to extend for a further two periods of one year each. The total cost for the initial 3 year contract period is £1.735m with the additional year extensions priced at £424k per year.

4. Alternative options considered

4.1. An outline business case for the CST programme was developed in October 2013 and this was reviewed at Cabinet in November 2013 (v1.0). This set out four options for delivering a new operating model for Customer Services:

- Option 1: Do nothing.
- Option 2: Customer Service consolidation with stand-alone web based initiatives delivered on a department by department basis.
- Option 3A: Transformation of Customer Services via corporate wide process and technology change (supported by a CRM type solution).
- Option 3B: Transformation of Customer Services via corporate wide process and technology change (supported by a Digital Platform type solution).



4.2. Following a further review at Cabinet in November 2013 it was recommended that both Options 3A and 3B were taken forward and subjected to a more detailed appraisal, and both the CST Programme Board and Senior Leadership Team agreed that the programme should progress accordingly to the next stage.

4.3. An updated full Business Case is due to be completed by April 2015

5. Background information

5.1. Haringey council initiated the CST Programme in May 2013. This is a large complex programme of improvement tasked with delivering a number of changes over the next five years. This includes the introduction of a new operating model for Customer Services which is designed to support the councils aspirations of what it believes constitutes 'good', supported by a new customer access strategy which sets out changes in how customers will contact the Council in the future to access services.

5.2. In order to support the CST programme certain technical building blocks will need to be in place so that the Council is equipped with the tools and capabilities needed to become customer focussed. In line with this a specification of requirements to outline the level of functionality sought was developed and a procurement exercise was initiated.

6. Procurement Process

6.1. The procurement process was conducted in line with the Procurement Code of Practice and was advertised through the Official Journal of the European Union (OJEU).

6.2. The procurement exercise was carried out using the Restricted Tendering process. This was a 2 stage process;

6.2.1. Interested organisations were invited to submit a Pre-Qualification Questionnaire (PQQ), and following the evaluation of these the top 5 scoring organisations were provided with the invitation to tender (ITT) documents and invited to submit a tender.

6.2.2. One bid was received, and was assessed using the Most Economically Advantageous method and the total 1000 points were broken down as:

- Quality (550 points)
- Price (450 points)

6.3. All tender evaluation criteria and weighting were set out in the tender documents. The evaluation team for both the PQQ and ITT stages comprised the following council officers:

- CST Programme Manager



Haringey Council

- Assistant Head, Revenues, Benefits and Customer Services
- Head of Supplier Management, IT services
- Applications Solutions Manager, IT services
- Procurement Manager (Supplies and Services).

6.4. Five companies were invited to tender for this contract. The Council received one bid. No threshold was set in terms of achieving a defined Quality score, however the quality score achieved by the tenderer of 73% (i.e. 399 out of 550), is considered by the evaluation team to demonstrate that they are of sufficient competence to deliver the service specification appropriately, in addition it is recognised that Agilisys is a market leader in this field.

6.5. The table below shows details of the ITT evaluation

Tenderer	Quality Points score (max 550)	Price / Cost Points Score (max 450)	Total Points Score (max 1000)	Tender Price for 3 Years	Optional One Year Extension	Optional One Year Extension
Agilisys	399	450 (as the only bidder, Agilisys received the maximum score for cost)	849	£1,735m	£424k	£424k

7. Transition and Contract Management

- 7.1. Contract management will be incorporated into the contract. Key performance indicators and methods of measurement are integrated within the service specification and will be monitored through contract monitoring meetings and reports.
- 7.2. Monitoring meetings will be held monthly for the first six months and quarterly thereafter. The purpose of monthly monitoring meetings will be to examine the implementation of the service, monitor delivery of the service at an operational level and to foster partnership working to facilitate early resolutions.

8. Comments of the Chief Finance Officer and Financial Implications

8.1. As set out in paragraph 4.0 above, an OBC was presented to Cabinet in November 2013 which included indicative costs for a corporate technology solution along with indicative programme costs enabling the Council to deliver the customer services integrated programme. These costs ranged between £4.2m and £6.1m and Cabinet acknowledged that to move forward with this programme capital budget would have to be approved and set aside as part of the 14/15 – 16/17 medium term financial plan (MTFP). The final MTFP agreed by Full Council in February 2014 included capital provision of £3.680m over the 3 years of the plan. This funding approval has enabled the programme to continue with



Haringey Council

both the procurement of a technological solution and the more detailed plans around the target operating model, integration of staff etc.

- 8.2. The contents of this report focus on the procurement of the technological solution and make recommendations about award of contract.
- 8.3. See additional comments on exempt section

9. Comments of the Assistant Director of Corporate Governance and Legal Implications

- 9.1. The report recommends the award of a contract for up to 5 years for services which are Part A services subject to the EU tender regime, as reflected in the Public Contract Regulations 2006 ("PCR 2006").
- 9.2. Contract Standing Orders (CSOs) also apply to this procurement.
- 9.3. Because the award relates to a contract valued over £500,000, the decision must normally be taken by Cabinet under CSO 9.06.1d. It is also a Key Decision which must be published in the Council's Forward Plan.
- 9.4. Further considerations on the exercise of the discretion whether to award this contract are set out in the Exempt Information.
- 9.5. Subject to the further considerations referred to in para. 9.4, the Assistant Director of Corporate Governance confirms that there are no legal reasons preventing Cabinet from approving the recommendations in paragraph 3 of this report.

10. Equalities and Community Cohesion Comments

- 10.1. As part of the work under the Customer Service Transformation Programme, a full Equalities Impact Assessment (EQIA) has been completed. This identified and considered the impact the overarching customer design principles underlying the CST programme is likely to have on the various protected characteristics covered in the assessment and includes mitigations of those impacts.
- 10.2. The assessment included views from resident groups and partner organisations. It also involved a special Customer Services Panel established in 2013 to gather feedback from a representative cross section of our customers/residents on establishing the best channel mix for the Council, in particular the experience and usability of digital and web-based services.
- 10.3. It is noted that as a frontline service Customer Services needs to ensure that it meets the needs of the local community. That is why further Customer Services Panel meetings are planned to feedback on progress and consult on any new developments and on delivery models.



Haringey Council

10.4. If the recommendations set out in paragraphs 3.1 and 3.2 are approved then a formal dedicated project will be initiated within the CST programme to oversee the implementation of the Customer platform in Haringey. The EQIA screening tool work will be incorporated into and undertaken as part of this project.

11. Head of Procurement Comments

11.1. The recommendation is compliant with the Procurement Code of Practice.

11.2. A competitive process has been undertaken, Procurement have been involved in this process to ensure a VFM Outcome is achieved (see exempt report)

11.3. Contract management has been put in place to ensure contract compliance and identify and rectify any issues at an early stage.

12. Policy Implication

12.1. N/A

13. Reasons for Decision

13.1. The recommendation as outlined in paragraphs 3.1 and 3.2 are based on an evaluation of the tender received and the view that this offers value to the Council in terms of quality and price.

13.2. As a result of the procurement exercise, which was carried out in accordance with the Procurement Code of Practice, it is now recommended that the successful tenderer be awarded the contract as outlined in paragraphs 3.1 and 3.2 in accordance with CSO 9.06.1(d).

14. Use of Appendices

14.1. N/A

15. Local Government (Access to Information) Act 1985

15.1. This report contains exempt and non exempt information. Exempt information is contained in the exempt report and is not for publication. The exempt information is under the following categories (identified in the amended schedule 12 A of the Local Government Act 1972 (3)):

(3) information in relation to financial or the business affairs of any particular person (including the authority holding that information).

(5) Information in respect of which a claim to legal professional privilege could be maintained in legal proceedings.