Report of: Corporate Director of Resources

Date: 23 May 2023

Ward(s): All

Appendix to this report is not for publication

Subject: Contract award report for Contact Centre Omnichannel

1.   Synopsis

1.1.   This contract award report is in relation to the procurement of a services contract for a Contact Centre Omnichannel solution.

1.2.   The existing contact centre technology will not support the ambitious vision of the Resident Experience Programme,

1.3.   Delivery of an omnichannel solution will provide the council with end-to-end details of every contact received through the contact centre. This rich and insightful data will allow services to manage demand, allocate resources appropriately, understand behaviour and have the tools to change the customer journey to meet resident requirements.

2.   Recommendation

2.1.   To approve the award of a contract to 8x8 UK Limited for a period of up to 48 months from 23 May 2023.

3.   Date the decision is to be taken

3.1.   23 May 2023

4.   Background

4.1.   Nature of the service

4.1.1.   Discovery work has confirmed that essential functionality is missing on the current contact centre solution. Basic components of a modern system are missing or not suitable to deliver the Resident Experience vision. For example:

- Workforce planning does not support agent scheduling, demand management or adherence.
- Detailed performance data is not available making the impact of change difficult to evaluate
- Real time data is not available for agents
- Call back functionality is not available

4.1.2.   Benchmarking against other local authorities and market analysis has confirmed that the current contact centre product cannot provide the solution that Islington requires to deliver a high-quality resident experience. Therefore, a new contact centre solution is required.

4.1.3.   On 24 March 2023 an officer key decision was approved for the procurement strategy to provide resilience and to enable the provision of significant resident experience improvements via a unified customer experience ("omnichannel") solution.

4.1.4.   The new solution will replace the contact centre technology currently in use across the council's three main contact centres: Access Islington, Housing Repairs, and Housing Operations. The solution will be utilised by both daytime and out of hours teams.

4.1.5.   This Contact Centre as a Service (CCaaS) solution will offer the organisation both scalability and flexibility to purchase and pay for only the components we need at any point in time. A CCaaS solution will offer all the benefits of the latest technology releases and removes any reliance on the council's datacentres for contact centre services. This approach is in line with the Islington Digital Services Cloud First strategy.

4.1.6.   The new Omnichannel contract will be awarded in May 2023 for a 4-year period until May 2027.

4.2. Options appraisal

4.2.1. A full options appraisal was included in the procurement strategy which was approved by the Corporate Director or Resources on 24th March 2023.

4.3 Procurement Process

4.3.1 As set out in the procurement strategy the supplier to deliver the omnichannel solution was selected via the G-Cloud 13 framework-(RM61557.13) Lot 2-Cloud Software.

4.3.2 The suppliers on Lot 2 Cloud Software were shortlisted using a range of suitable keywords and filters. 4 suppliers were shortlisted, and their service descriptions reviewed.

4.3.3 Detailed requirements for the provision of the council's Omni Channel Contact Centre Solution were prepared and sent to each of the 4 shortlisted suppliers on 29 March 2023 via the London Tenders Portal. The requirements set out details of how requirements would be evaluated and confirmed that responses to requirements must be based on published G-Cloud 13-(RM61557.13) Lot 2-Cloud Software service offering and pricing.

4.3.4 3 submissions were received by the deadline of noon on Monday 17 April.

4.3.5 Following receipt of the submissions, each of the 3 suppliers were invited to attend a 90 minute demonstration of their proposed solutions on 19th and 20th April with the evaluation panel and other key service representatives.

4.3.6 The evaluation panel consisted of representatives from each of the contact centre services, the Resident Experience Programme Team and Islington Digital Services.

Title	Service Area
Unified Comms Manager	Islington Digital Services
Head of Access Islington	Access Islington
Team Manager	Access Islington
Data and Performance Manager	Access Islington
Business Analyst & Development Manager	Housing Direct

Service Manager	Housing Tenant Services
Technology Business Analyst	Resident Experience Programme
Programme Manager	Resident Experience Programme
Access Islington Hub Manager	Access Islington
Solutions Architect	Islington Digital Services

4.4 Evaluation

4.4.1 The criteria below were used to evaluate the requirement submissions:

Quality Criteria:

Criteria	Details	weighting
Social Value	contribution over the duration of the contract to economic, environmental, and social benefits	20%
Automatic Call Distribution (ACD)	The ability to distribute incoming telephone calls and other types of contacts to specific agents or groups based on logic	5%
Interactive Voice Response (IVR)	Menu selections to direct inbound calls	5%
Customer Relationship Management Integration	The ability to integrate with various CRMs to enable feature-rich capabilities, such as Caller Line Identification (CLI), case management, data quality	5%
Workforce Management	Solution to support accurate forecasting and the ability to plan the staffing levels for voice, email, and chat interactions.	5%
Quality Management	Solution to monitor and scores agent interactions	5%
Reporting and Insight	Call tracking view, configurability of reports, integration with Power BI	5%
Channels	Including email, chat, social media, mobile and WhatsApp	5%
Non-Functional requirements	Including security considerations, software update deployment, business continuity, single sign on and accessibility	5%

Pricing Criteria:

Cost Total	40%
• Implementation Cost	10%
• Licence cost	24%

• Support Cost	3%
• Training Cost	3%

4.4.2 The following calculations were used to weight each of the prices provided against each category
- Cheapest price – full score
- Cheapest price / individual bidder price x relevant cost weighting in the table above

4.5 Key considerations: outcomes, efficiencies, and savings

4.5.1 Delivery of an omnichannel solution will provide the council with end-to-end details of every contact received through the contact centre. This rich and insightful data will allow services to manage demand, allocate resources appropriately, understand behaviour and have the tools to change the system to meet resident requirements. Residents will be able to contact us via the channel of their choice and move seamlessly from one channel to another.

4.5.2 8x8 employs a dedicated Social Value Coordinator, who will be assigned as a point of contact for Islington Council. The table below outlines the social value provided from 8x8 as part of the Omnichannel contract.

4.5.3 To encourage young people into STEM 8x8 will offer young people of secondary age an introduction into working in the software as a service industry. These can be delivered remotely or in person and will have an emphasis on understanding roles within the technology industry and routes to employment. 8x8 will list this opportunity on the council's 100 Hours of the World of Work Program

4.5.4 As part of their Social Value commitment to Islington Council 8x8 will purchase eighteen Raspberry Pi Kits per year for young people within the borough and delivered through our partnership with the Raspberry Pi Foundation.

4.5.5 A summary of the social value offer to Islington Council from 8x8 is shown in the table below.

Category	Details
Skills and Employment	'Support into work' assistance provided to unemployed people through career mentoring, including mock interviews, CV advice, and careers guidance.
Integrated Communities	Provision of expert business advice to VCSEs and MSMEs (e.g., financial advice / legal advice / HR advice/HSE)
Digital Inclusion	Donations and/or in-kind contributions to specific local community projects (£ & materials)

4.5.6   Social value benefits and other outcomes from this procurement will be included as part of the monthly service reviews.

4.5.7   8x8 are an accredited member of the Living Wage Foundation - Accredited Living Wage Employers Living Wage Foundation which gives a living wage for all UK based employees, the hourly rate for London employees is the same as LLW.

4.5.8   TUPE does not apply to this contract

4.6   Contract management

4.6.1   The timetable for implementation is set out below

	Start Date	End Date
VCC - Deployment Schedule	15 05 23	11 08 23
Project team assigned	15 05 23	15 05 23
Phase 01 - Project Kick-off	15 05 23	23 05 23
Phase 02 - Training/Solution Design	24 05 23	28 06 23
Phase 03 - Solution Deployment	29 06 23	20 07 23
Phase 04 - Test & Sign-off	18 07 23	27 07 23
Phase 05 - Go-Live	28 06 23	01 08 23
Phase 06 - Porting	27 06 23	02 08 23
Phase 07 - Project Sign-off	10 08 23	11 08 23
Phase 08 - Deployment Support	03 08 23	09 08 23

4.6.2   Costs and key KPIs (Key Performance Indicators) will be included within the contract along with monitoring schedules.

4.6.3   Annual pricing over a 4-year fixed period has been provided as per the request for pricing in the requirements document.

4.2.2.   The business risks and mitigating actions are listed in the table below.

Risk Description	Mitigation
Service capacity to support transition Due to the ambitious project timescales, service representatives may be divided over conflicting priorities.	• Clear responsibilities and timescales set out from project onset to allow selection of appropriate staff. • Range of service representatives selected to join project to allow cover when required

Delivery of full system functionality Project timescales may prevent delivery of all solution functionality from day one.	• Phase roll out of functionality based on feature prioritisation • Existing telephony platform will be migrated to cloud solution for 6 months support transition
Change management / operational readiness Due to the large number of services and staff and the variation in current ways of working the size there change management will be significant	• Involve key stakeholders from all service areas in project at design stage • Identification of business changes management resources to support new ways of working
Number porting If there are problems with porting individual contact centre numbers from the on-premise system to the CCaaS this will cause delays in delivery of the solution and potentially impact CC operational services.	• Numbers will be delivered in a phased approach and dual running with current solution will provide resilience

4.7   The Employment Relations Act 1999 (Blacklist) Regulations 2010 explicitly prohibit the compilation, use, sale, or supply of blacklists containing details of trade union members and their activities. Following a motion to full Council on 26 March 2013, all tenderers will be required to complete an anti-blacklisting declaration. Where an organisation is unable to declare that they have never blacklisted, they will be required to evidence that they have 'self-cleansed'. The Council will not award a contract to organisations found guilty of blacklisting unless they have demonstrated 'self-cleansing' and taken adequate measures to remedy past actions and prevent re-occurrences.

5   Implications

5.1   Financial Implications

5.1.1   The Resident Experience Programme aims to deliver real, tangible front door service improvements across the Council's channels (web, telephone, and face to face) and resident services.

5.1.2   The Contact Centre currently receives calls on behalf of the HRA and the General Fund. The current split for the Contact Centre cost is 50% to the HRA and 50% to the General Fund.

5.1.3   Further details of the financial implications are provided in the exempt appendix.

5.2   Legal Implications

5.2.1   The procurement strategy for the procurement of the contract for a Contact Centre Omnichannel solution was approved by the Commissioning and Procurement Board on 23 February 2023 with the decision taken on 10 March 2023. Following such approval, officers have undertaken a process amongst shortlisted suppliers on the Crown Commercial Service ("CCS") G-Cloud 13 Framework RM1557.13 (Lot 2 Cloud Software) ("the Framework").

5.2.2   The estimated total value of the contract over the total four-year period is such that the procurement is subject to the requirements of the Public Contract Regulations 2015 (as amended). The use of the Framework to procure the contract as has occurred in this instance, is compliant with both the Public Contract Regulations 2015 (as amended) and the Council's Procurement Rules. Further, the Framework permits authorities to undertake the process detailed in this report and to thereafter award a contract based on the Most Economically Advantageous offer as referred to in paragraph 4.4.3 above. In addition, the Council has power to enter into the contract under section 111 of the Local Government Act 1972 and section 1 of the Local Government (Contracts) Act 1997 which enable the Council to carry out any activity that is calculated to facilitate, or is conducive or incidental to, the discharge of any of its functions, and to enter contracts accordingly.

5.2.3   The Local Government Act 1999 requires the Council to make arrangements to achieve Best Value in the exercise of its functions when considering service provision. This applies to the contract for the system detailed in this report.

5.2.4   The proposal is to award the contract for an initial period of three years with potential for extension for up to a further one year. This is in accordance with the call off contract duration requirements specified by the CCS for the Framework.

5.2.5   Procurement Rule 24.2 states that all contracts over £24,999 will need formal conditions prepared or agreed by the Legal Services Team. In this instance, to proceed with the contract award the Council will need to enter into the RM1557 call-off contract prescribed as part of the Framework. The terms of this call-off contract comply with the Council's Procurement Rules including in relation to the requirements for the London Living Wage as set out in Rule 12 and for social value as set out in Rule 13. Following award, the contract and details of the award must be published on Contracts Finder. All contracts with a value above £500,000 will need to be sealed.

5.2.6   Under Procurement Rule 16.2 the Executive may delegate its responsibilities to Corporate Directors or the Chief Finance Officer.

5.2.7 The decision maker can approve the Recommendations contained in this report provided they are satisfied with the contents of the report and they consider the award represents best value for the Council.

5.3 Environmental Implications and contribution to achieving a net zero carbon Islington by 2030

5.3.1 Transitioning the contact centre telephony away from on-premise data centres to a cloud-based solution has two main environmental impacts. The first is that the existing systems will need to be disposed of, creating electrical waste. The second is that while no electricity will be needed on-site for the new system, the new cloud-based service will still use electricity at the data centres hosting the system.

5.4 **Equalities Impact Assessment**

5.4.1 The council must, in the exercise of its functions, have due regard to the need to eliminate discrimination, harassment and victimisation, and to advance equality of opportunity, and foster good relations, between those who share a relevant protected characteristic and those who do not share it (section 149 Equality Act 2010). The council has a duty to have due regard to the need to remove or minimise disadvantages, take steps to meet needs, in particular steps to take account of disabled persons' disabilities, and encourage people to participate in public life. The council must have due regard to the need to tackle prejudice and promote understanding.

5.4.2 An Equalities Impact Assessment was completed on 06/02/23. The main findings are that:
- The new technology will provide a platform to enable residents to get to the right place, in a timely manner and leave feedback regarding their interaction.
- The delivery of a single solution across all 3 contact centres will help ensure the delivery of consistent, high-quality service regardless of how and where residents contact us.
- Through greater data capture and reporting the new omni channels will enable root cause analysis to help understand demand and design solutions to support residents.

5.4.3 The full Equalities Impact Assessment is appended.

6 Conclusion and reasons for the decision

6.1 To support the council's ambition to improve resident experience a new contact centre platform is required. Following a detailed evaluation the decision is to

approve the award of a contract to 8x8 UK Limited for a period of up to 48 months from 23 May 2023.

7   Record of the decision

7.1   I have today decided to take the decision set out in section 2 of this report for the reasons set out above.

Signed by:

Corporate Director of Resources….

Date: May 2023

Appendices:
- Exempt Appendix
- Equalities Impact Assessment

Report Author: Laura Hannan, Resident Experience Programme Manager
Tel: 07809459277
Email: laura.hannan@islington.gov.uk

Financial Implications Author: Ellena Smith, Finance Manager
Tel: +442075274257
Email: ellena.smith@islington.gov.uk

Legal Implications Author: Jabeen Story (Chief Contracts and Procurement Solicitor)
Tel: 0207 527 1850
Email: jabeen.story@islington.gov.uk