

North Lanarkshire Council Report

Transformation and Digitalisation

approval noting

Ref BL/MH/LD

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Contact Centre ACD Solution Contract Expenditure

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Executive Summary

In accordance with the Council's Financial Regulations any variations where the outturn/expected costs exceed the tender contract price by the higher of £25,000 or 5%, shall be reported by the appropriate Budget Holder to the relevant Spending Committee at the earliest opportunity.

The purpose of this report is to inform committee of an over spend incurred on the corporate Automatic Call Distribution (ACD) system contract.

Recommendations

The committee is asked to note the over spend to the Contact Centre Automatic Call Distribution (ACD) system contract as detailed in Section 2.

The Plan for North Lanarkshire

Priority	Enhance participation, capacity, and empowerment across our communities
Ambition statement	(24) Review and design services around people, communities, and shared resources

1. Background

- 1.1 The Contact Centre's ACD solution contract was undertaken in 2014. Funding was made available through Finance & Customer Service capital programme and approval to tender for a new system was granted at the Policy and Resources (Finance & Customer Services) Sub Committee on 23 January 2013. The contract value was £480,000 and awarded to Unify Enterprise Communications Ltd.
- 1.2 The ACD system integrates with the Council telephony solution and provides an enhanced skill based call handling, management and reporting solution.

2. Report

- 2.1 The initial contract for the system was based on the Contact Centre's requirements. However as a result of the benefits the system offered, in terms of improved functionality and flexibility, more services requested access, for example Revenue Services, Employee Service Centre. This resulted in additional costs, incurred due to the expansion of the system and additional maintenance and support.
- 2.2 This expansion is clearly in line with the Council best practice and Enterprise principles of Re-use.
- 2.3 The final adjustment to the Contract Sum amounted to £523,425.00. This equates to a variation of £43,425.00, which is 9% above the original tender amount of £480,000.
- 2.4 In relation to the Maintenance and Support Contract, the original contract was for 5 years with an option to extend for a further 2 years. However in March 2019 the provider chose to terminate the contact after 5 years. As a result of the short notice to terminate and the associated operational risks a Negotiated Tender Procedure was undertaken to cover maintenance and support for 2019/2020.
- 2.5 Through the Councils DigitalNL agenda, the organisation is currently in the process of tendering for a Digital Platform, Digital Workplace and Cloud services via a Systems Integrator. It is expected that a future platform will accommodate many of the aspects of the ACD requirement, whilst incorporating additional operational and customer interaction functionality. The timeline for the delivery of the platform is 2yrs with an overall program schedule of up to 5yrs.
- 2.5 A process is currently underway to provide cover for next year, with the option to extend for 1 year, plus a further 1 year if required, this will allow the flexibility needed to accommodate any future changes to our requirements that are identified through the DigitalNL Programme.

3. Equality and Diversity

3.1 Fairer Scotland Duty

The requirement to comply with The Fairer Scotland Duty does not apply in this case.

3.2 Equality Impact Assessment

The contract noted above relates to an expansion to the contact centre's ACD system and will have no impact on the Council's duties under the Equality Act 2010 Public Sector Equality Duty Regulations.

4. Implications

4.1 Financial Impact

The additional system expansion costs were accommodated within the Finance & Customer Services capital budget. Due to an under spend on the Corporate Internet and Filtering Infrastructure, additional funding was allocated to the expansion of the system, this included server replacement programme and implementation of Media Web Chat within the Contact Centre as part of work in relation to channel shift. This

was noted in the Policy and Resources (Finance & Customer Services) Sub Committee 13 March 2015.

4.2 HR/Policy/Legislative Impact

There are no policy/legal or HR impacts to report

4.3 Environmental Impact

There are no environmental impacts to report

4.4 Risk Impact

There are no associated risks to report

5. Measures of success

- 5.1 The successful expansion of the Contact Centre's ACD system and a maintenance contract that meets the needs of the various service users in terms of adequate support and continuity.

6. Supporting documents

- 6.1 Link to Policy and Resources (Finance & Customer Services) Sub Committee on 23 January 2013.
<https://mars.northlanarkshire.gov.uk/egenda/images/att26514.pdf>
- 6.2 Link to Policy and Resources (Finance & Customer Services) Sub Committee 13 March 2015.
<https://mars.northlanarkshire.gov.uk/egenda/images/att80752.pdf>



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