



**Report for:**  
**ACTION**

**Item Number:**

<b>Contains Confidential or Exempt Information</b>	<b>NO</b>
<b>Title</b>	ICT Digital Implementation Contracts
<b>Responsible Officer(s)</b>	Kieran Read, Director Strategy and Engagement Edward Axe, Assistant Director of ICT, IDM and CIO
<b>Author(s)</b>	Alec Joynson
<b>Portfolio(s)</b>	Julian Bell, Leader of the Council Joanna Camadoo, Portfolio Holder for Community Safety and Inclusion Jasbir Anand, Portfolio Holder for Business and Community Services Bassam Mahfouz, Portfolio Holder for Finance and Leisure
<b>For Consideration By</b>	Cabinet
<b>Date to be Considered</b>	16 <sup>th</sup> October 2018
<b>Implementation Date if Not Called In</b>	29 <sup>th</sup> October 2018
<b>Affected Wards</b>	All
<b>Keywords/Index</b>	ICT, Contract, Microsoft, Digital

**Purpose of Report:**

To update on the latest position regarding the implementation of the Council's Digital Programme and seek authority for the award of specific contracts and to delegate authority to procure from appropriate frameworks.:

**1. Recommendations**

That Cabinet:

- 1.1 Authorises the award of a call off contract to Microsoft from the Crown Commercial Services G-Cloud 10 framework for Adoption and Change management and implementation of Citizen Engagement with Microsoft Cloud.
- 1.2 Authorises a variation to the existing Infrastructure Managed Services ICT Server and Storage Support contract with Microland for technical platform implementation and support and transitional onboarding of service lines.

- 1.3 Authorises a variation of the existing Microsoft Enterprise Agreement with the License Solution Provider to supply the software licenses required to deliver the digital programme.
- 1.4 Delegates authority to the Director Strategy and Engagement to call off from relevant framework agreements and award contracts for the provision of:
  - 1.4.1 Business Analyst Support, Change Management Support, and Implementation Support.
  - 1.4.2 The resources needed for website content and development.
- 1.5 Delegates authority to the Assistant Director of ICT, IDM and CIO to call off from relevant framework agreements and award contracts for the provision of:
  - 1.5.1 Independent software vendors for the provision of software and services to support the roll out of Dynamics.
  - 1.5.2 Data Cleansing and Data Analytics resourcing for the duration of the programme.

## **2. Reason for Decision and Options Considered**

- 2.1.1 At the Cabinet Meeting on 10 July 2018, members were informed about the progress on the Council's digital strategy and approved the budget for Digital Transformation Business Case.
- 2.1.2 Key to delivering the majority of the business case will be the delivery of the digital transformation programme to drive forward the co-ordinated implementation of the technologies, cultural change and customer led service redesign and realisation of benefits across the Council. These can only be achieved by significant investment in digital transformation and the upgrading our digital platform.
- 2.1.3 The business case identified that amongst the key items covered by the investment are:
  - Portal/CRM Build and related systems support. Delivered by several external partners, this will include the building of a CRM system that enables; customers to tell the Council information once and the standardisation of six core processes.
  - Requisite Licensing and Web Hosting

- Software that enables integration with our core systems and the provision of additional functionality.
- The implementation team that will execute the hardware, firmware and software changes.
- The Change and Adoption team that will work with the council to adopt the six standardised core processes through business process re-engineering within service areas.
- Portal and Content costs related to the building of the new website, associated infrastructure, revision of micro-sites and the establishment of a new single sign-on and verification process utilising 'My Ealing' portal.

2.1.4 At the Cabinet Meeting on 10 July 2018 Cabinet authorised the Director of Strategy and Engagement to invite and evaluate tenders.

2.1.5 As these are ICT contracts, Legal and Democratic Services have recommended that authority to award the contracts for the procurement of services shall be delegated to the Assistant Director ICT, IDM, CIO. These services shall cover Portals, Connectors and Customer Relationship Management System Build and Support; Requisite Licensing and Web Hosting; Data Cleansing and Build of Data Analytics, Implementation and Change and Adoption support.

2.1.7 After consultation with Procurement, a call off contract award from the Crown Commercial Services G-Cloud framework was identified as the most cost-efficient procurement route:

- this avoids the need for consultancy services to oversee and project manage the tender process and minimises the need for evaluation, procurement and legal resources;
- this option delivers the desired outcome in the shortest time as it provides an off-the-shelf solution without the need for, Invitation to Tender (ITT), Request for price (RFP), request for quote (RFQ), request for information (RFI) or negotiation;
- this Framework is legally compliant and regulated and ensures minimal contractual risk;
- this Framework provides transparency as the catalogue showcases the supplier's service information and pricing. It is therefore easy to ensure delivery of a solution that is best fit;
- value for money has been obtained by Crown Commercial Services opening up a competition for all public sector clients for the various service elements that Microland provide in GCloud. They have therefore been competitively benchmarked for what is being called off.

- the GCloud framework is an off the shelf solution which avoids paying a premium for unnecessary bespokeing.

## **2.2 Adoption and Change Management and implementation of Citizen Engagement with Microsoft Cloud.**

- 2.2.1 The business case identified a solution referred to as 'Rich CRM'. The official name for this solution is Microsoft Citizen Engagement solution. This is incorporates a fully functional CRM platform that, as well as having the ability to service the goals of customer channel shift, enables easy integration to the best of breed systems and support further end to end process automation
- 2.2.2 The solution provides a case management capability that will be used to deploy an insight solution to the business. This enables the rationalisation of system applications within the Council.
- 2.2.3 The technological platform also has remote working functionality for field workers to increase the efficiency of the worker whilst away from their home base. This is element is important and supports the Councils 'New Ways of Working' initiative
- 2.2.4 The solution will produce a set of six core standardised processes that can be tailored to specific business needs by simple changes to their configuration. In order to ensure the adoption of these standardised processes, change management and behavioural consultancy will need to be delivered.

## **2.3 Technical Platform Implementation**

- 2.3.1 In order to implement the rich CRM, a technical platform is required to be implemented and supported.
- 2.3.2 In May 2018, the Council entered into an Infrastructure Managed Services ICT Server and Storage Support contract with Microland.
- 2.3.3 This contract, which was also procured through GCloud, allows for a variation process in which the Council can change the contract.
- 2.3.4 The variation to the Infrastructure Managed Services ICT Server and Storage Support contract with Microland will be implemented to include technical platform implementation and support and transitional onboarding of service lines.
- 2.3.5 This will ensure that:
- There is no conflict between the existing Infrastructure Managed Services ICT Server and Storage Support contract and the provision of the implementation of the technical platform and support and transitional onboarding of service lines;

- The Council continues to receive continuity of service without disruption of its existing services;
- That the Council continues to fulfil its obligations under the Infrastructure Managed Services ICT Server and Storage Support contract.

## **2.4 Variation to the Microsoft Enterprise Subscription Agreement**

- 2.4.1 The provision of the rich CRM requires additional Microsoft licences.
- 2.4.2 Microsoft do not provide licence products directly and their products are provided through a third party Licence Solution Provider. The Council can only select a Licence Solution Provider recommended by Microsoft.
- 2.4.3 Microsoft will only allow a customer to have one Licence Solution Provider for the provision of their licence products.
- 2.4.4 The licences shall therefore be purchased from Phoenix Software Limited, who are the Council's Microsoft Licence Solution Provider, with whom the Council has entered into an Enterprise Subscription Agreement for Microsoft licences.

## **2.5 Business Analyst Support, Change Management Support, and Implementation Support**

- 2.5.1 The provision of the aforementioned support is needed to ensure the adoption of the six core processes across the Council are implemented and embedded effectively to ensure the savings and efficiency opportunities identified are realised. The support services will provide; business process re-engineering, behavioural training, change impact analysis and change and implementation support.

## **2.6 Website Content and Development Resources**

- 2.6.1 The transformation of the Council onto a digital platform will involve a channel shift of communications for many services. Where customers may have phoned to transact with the Council, they will now be able to complete this transaction through the website. Resources will be needed to develop new content, revise existing content and integrate new tools into the website.

## **2.7 Independent Software Vendors (ISV)**

- 2.7.1 The provision of the ISVs enables additional functionality to the system. This functionality includes, but is not limited to, email marketing, campaign tracking, integration with other systems, digital signing, form creation, heat mapping, data migration and web text chat

## **2.8 Data Cleansing and Data Analytics Resourcing**

- 2.8.1 A reviewed approach to data needs to be implemented to ensure the new CRM solution works to its fullest potential. The resourcing required will enable the Council to have good, accurate and clean data as the new processes and systems are executed.
- 2.8.2 Having transitioned data into the new system via data cleaning, resources will be required to develop a data analytics solution and the management of new data entering Council systems.

## **3 Key Implications**

- 3.1.1 The implementation of the contracts mentioned are fundamental to delivering the Digital strategy. This will achieve the following benefits:
- Widen customer access to services as customers will be able to make more transactions with the Council on line at anytime of the day. The increased availability of the internet on smart mobile phones, also means that the majority of customers do not have to actively seek a computer in order to transact with The Council.
  - Effectively target services to customers through data analytics and improved marketing techniques
  - Improve fraud outcomes through having a golden record of each customer
  - Proactively improve customer outcomes through data analytics
  - Increase income generation through data analytics and improved marketing techniques
  - Enable an increased number of staff to work flexibly by allowing a single sign on function and implementing new mapping and routing software
  - Improve the customer service experience through increased digital transactions. This will also decrease the waiting time for customers who do need face to face or phone contact with the Council
  - Influence customer demand through data analytics and improved marketing techniques
  - Reduce costs through:
    - Application rationalisation
    - Reduce staff FTE (through process efficiency and standardisation)
    - Process efficiency through standardisation of processes

## **4 Financial**

- a) This is no impact on the budget

The approved capital budget contains £6.405m in 2018/19 and £4.937m in 2019/20 to deliver the Digital Strategy.

Capital Investment	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	Total
	£m	£m	£m	£m	£m	£m	£m
<b>Capital Expenditure:</b>							
Capital	6.405	4.037	0.000	0.000	0.000	0.000	11.342
<b>Total Expenditure</b>	<b>6.405</b>	<b>4.937</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>11.342</b>
<b>Capital Funding:</b>							
Mainstream Borrowing	-6.405	-4.937	0.000	0.000	0.000	0.000	-11.342
<b>Total Funding</b>	<b>-6.405</b>	<b>-4.937</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>-11.342</b>

## b) Financial background

At its meeting on 10 July 2018, Cabinet approved the creation of a new capital scheme 'Digital Strategy' with a total capital investment of £11.342m (£6.405m in 2018/19 and £4.937m in 2019/20) to be financed through mainstream borrowing.

This Cabinet decision is to award contracts to deliver the Digital Strategy. The expenditure will be covered by the approved budget.

## 5 Legal

The call off from the GCloud framework has been tendered in compliance with the rules of the Crown Commercial Services framework which complies with the Public Contract Regulations 2015

The variation to the Infrastructure Managed Services ICT Server and Storage Support contract is in compliance with the rules of the Crown Commercial Services framework which complies with the Public Contract Regulations 2015

## 6. Value For Money

This report recommends an approach that will deliver the best possible value for money outcome for the Council.

Specialist ICT providers will continue to supply crucial services within budget

## 7. Sustainability Impact Appraisal

The Digital Business Case, for which these contracts are required for implementation, will contribute positively to many of the sustainability objectives.

## **8. Risk Management**

Without the award of these contracts, the Digital strategy outlined in the report to Cabinet in July 2018 will not be delivered.

## **9. Community Safety**

ICT underpins the operation of all Ealing departments, including all services related to community safety.

## **10. Links to the 3 Key Priorities for the Borough**

Efficient delivery of ICT in a cost-effective way supports the delivery of all the council's priorities. ICT failure would affect the Council's ability to deliver the outcomes it has prioritised.

## **11. Equalities, Human Rights and Community Cohesion**

There are no implications.

## **12. Staffing/Workforce and Accommodation implications:**

There are no implications

## **13. Property and Assets**

**If the report does not involve property, please state that there are no property implications.**

There are no property implications

## **14. Any other implications:**

Not Applicable

## **15. Consultation**

There is no requirement for external consultation at this stage

## 16. Timetable for Implementation

Name of contract	Start date	Objectives	End date
Microsoft Citizen Engagement with Adoption and Change Management	01/11/18	To build of CRM and Portal To build of six standardised core processes To integrate key line of business applications with the CRM and Portal	30/08/2020
Microland Servers and Storage – variation to contract	01/11/18	To help build the CRM, Portal and related infrastructure To technically transition service areas onto the six core processes	30/08/2020
Microsoft Enterprise Agreement license award	01/11/18	To provide the licences required for staff to use the CRM	30/08/2020
Business Analyst Support, Change Management Support, and Implementation Support	01/11/18	To provide resources to embed the new behavioural attitudes required to effectively utilise and adopt the new technologies and core processes across the Council.	30/08/2020
Independent software vendors	01/11/18	To provide additional technological functionality to the CRM and Portal tool.	30/08/2020
Data Cleansing and Data Analytics	01/11/18	To review data from 10 key sources to provide good, accurate and clean data to integrate into the new Master Data Document.  Having transitioned data into the new system via data cleaning, to develop a data analytics solution and the management of new data entering Council systems.	30/08/2020
Website content and development.	01/11/18	Change content on website in response to Business Process Re-engineering that has taken place and with direction from the Adoption and Change management team.	30/08/2020

## 17. Appendices

None

## 18. Background Information

Cabinet paper July 2018 “Digital Strategy Business Case”

### Consultation (Mandatory)

Name of consultee	Post held	Date sent to consultee	Date response received	Comments appear in paragraph:
<b>Internal</b>				
Catherine Taylor	Head of Legal (Litigation and Contracts)	18/9/18	19/9/18	
Christopher Neale	Head of Accountancy	19/9/18	19/9/18	
Nick Penny	Finance Business Partner	19/9/18	19/9/18	
Brian Khumalo	Senior Finance Business Advisor	19/9/18	19/9/18	
Tim Smith	Head of Commercial and Procurement	19/9/18	19/9/18	
Kieran Read	Director of Strategy and Engagement	19/9/18	19/9/18	
Alison Reynolds	Director Customer Services	19/9/18	19/9/18	
<b>External</b>				

### Report History

<b>Decision type:</b>	<b>Urgency item?</b>
Key decision	No
Report no.:	Report author and contact for queries:
	Alec Joynson ICT Services Expert