

**26<sup>th</sup> January 2022**

<b>Report of</b>	<b>Assistant Director of Corporate and Improvement</b>	<b>Author</b>	<b>Kieran Johnston</b> ☎ 07983 164744
<b>Title</b>	<b>Request for Delegated Authority to Agree the Award of Contract for Telephony System</b>		
<b>Wards affected</b>	All wards		

## 1. Executive Summary

- 1.1 The contract for our Mitel telephone system which manages calls for our contact centre and delivers our standard “back office” phone lines is coming to an end, with the contract end date being March 2023. The current system is used by the Council, Colchester Borough Homes (CBH), and Colchester Commercial Holdings Ltd (CCHL).
- 1.2 The current telephone system is not optimised to support decentralised ways of working (for example home & remote working) and is focused on telephone calls only rather than managing other forms of contact (such as email or webchat) alongside voice.
- 1.3 Following informal market engagement, the Council has identified that moving onto a Microsoft Teams environment with an integrated Cloud Contact Centre solution, will provide immediate improvements in resilience and enable service improvement through the integration of other contact channels, increasing adoption over future years.
- 1.4 This report proposes that the Council procures a new solution through the Crown Commercial Services (CCS) Framework, agreement RM3808 following a mini competition.
- 1.5 It is anticipated that the contract length will be 3 years with options to extend for further years, with a whole life contract value in excess of £500,000.

## 2. Recommended Decision

- 2.1 To delegate the authority to award the contract to the Preferred Supplier, under the CCS Framework RM3808 – Network Services 2, to the Portfolio Holder for Resources in consultation with the Assistant Director Corporate and Improvement Services.

## 3. Reason for Recommended Decision

- 3.1 The existing contract period is coming to an end and the Council must undertake a procurement exercise.
- 3.2 Utilising the Crown Commercial Services (CCS) Framework, agreement RM3808 ensures that the procurement is compliant and that all major suppliers of a Microsoft Teams based service are engaged and provided with the opportunity to submit a tender; helping ensure best value and deliver the best solution.

- 3.3 Delegating authority to the Portfolio Holder and Assistant Director for Corporate and Improvement enables the Council to agree the new contract within required timescales following the procurement exercise.

#### **4. Alternative Options**

- 4.1 Consideration was given to seek approval from Cabinet at the point of award of contract under the aggregated procurement but the timeline for this means that we would not have sufficient time at the point the award of contract is required.
- 4.2 The decision could be taken to conduct a full OJEU compliant tender process. This would be highly unlikely to provide any added value in terms of options or price and would significantly increase the timescales for delivery and the cost to the council of running the procurement exercise.

#### **5. Background Information**

- 5.1 The current phone system is hosted in the Mitel Data Centre and there are dedicated links connecting the service to the Council. The current contract is with DUCL and was let through a framework agreement managed by Essex County Council. The contract end date is 31 March 2023.
- 5.2 The current contact centre telephone system is only accessible through the Council's virtual environment and is not available directly on a Council managed laptop. This means that Officers accessing the system are using computing resources on their local device and in the Microsoft Cloud to then access the phone system. This is not efficient from a performance perspective or a carbon perspective.
- 5.3 A project is being undertaken to look at reducing the number of licences and landlines needed for the new solution to a minimum, meaning we can scale any new system appropriately, minimising cost and maximising efficiency.
- 5.4 The current telephone solution has limited reporting and analytics and only manages phone calls. A Cloud Contact Centre solution based upon Microsoft Teams, would natively support email, chat bot, web chat and social media channels, with integration into our internal systems, our website, and other data sources; providing a seamless end-to-end customer solution.
- 5.5 Many Council officers access Microsoft Teams throughout their working day already and the specification for the new solution will be based upon the Teams platform; minimising the number of applications and maximising efficiency. The new solution will remove the need for physical phones on desks in corporate buildings and contact centre officers working at home will also be able to access the system simply through their home wifi.
- 5.6 There are a number of different suppliers who can offer a Microsoft Teams based solution and all of the major suppliers, as listed in the Gartner Magic Quadrant, are on the Crown Commercial Services (CCS) Framework agreement RM3808.
- 5.7 It is proposed that the contract will be procured through the CCS Framework agreement RM3808 – Network Services 2, which is a Public Contracts Regulations 2015 compliant

process and is in accordance with the Council's Contract Procedure Rules and Procurement Strategy

## **6. Equality, Diversity and Human Rights implications**

- 6.1 The proposed system will improve accessibility to services for customers through opening up more channels for communication. Officers and customers will benefit from fully compliant, modern technology that is designed to ensure all users can have the best possible experience.
- 6.2 The relevant Equality Impact Assessment for the CBC Procurement Strategy can be found here or by following the path : [www.colchester.gov.uk](http://www.colchester.gov.uk) Home > Equality and Diversity > Equality Impact Assessments > Commercial Equality Impact Assessments
- 6.3 Through the Procurement Strategy, staff ensure that all future procurement and purchasing documentation recognises, understands and supports CBC policies with regard to equal opportunities, diversity and human rights.

## **7. Strategic Plan References**

- 7.1 The provision of high quality, available, best value ICT services underpins the Council's ability to deliver against its strategic priorities
- 7.2 Environment and sustainability is embedded within all Council decision making and the approach outlined in this proposal supports this through less data processing and reduced need for physical telephone handsets (reduced resources).

## **8. Consultation**

- 8.1 None

## **9. Publicity Considerations**

- 9.1 Good communication with our residents, businesses and partners is vital and the Council must ensure that our contact systems are robust, secure, and modern; enabling customers to contact us effectively on modern channels

## **10. Financial implications**

- 10.1 The value of the contract is such that it requires approval by Cabinet and will be awarded subject to a competitive tender process.
- 10.2 The budget for telephony is held within ongoing revenue budgets and the cost of this contract will be managed within the current overall budget management process

## **11. Health, Wellbeing and Community Safety Implications**

- 11.1 Through this contract the Council will ensure that access to services for all residents, businesses and partners are maintained and improved. New ways to contact the council and opportunities to adopt web chat, bots and enhanced communication via social media can be enabled
- 11.2 Officers will benefit from an improved and more straightforward interface for making and receiving calls with more options to work remotely.

## **12. Health and Safety Implications**

12.1 None identified

## **13. Risk Management Implications**

13.1 By following a procurement process that is compliant with the Public Contracts Regulations 2015 and by implementing the controls and recommendations as set out in this report, the Council is seeking to mitigate against any potential risks or challenges.

## **14. Environmental and Sustainability Implications**

14.1 Enabling Contact Centre staff to work remotely more easily reduces the need to travel to Office locations ; minimising the emissions from staff commuting

14.2 Removing the need for physical handsets from corporate buildings reduces power consumption and the need to maintain assets; minimising the carbon impact and consumption of natural resources used in the phones

14.3 Utilising a cloud-based solution enables the Council to take advantage of suppliers with shared infrastructure and economies of scale and removes the need for local infrastructure; minimising carbon emissions.

14.4 Maximising the use of Microsoft teams and reducing the number of IT applications in use minimises the cloud resources used; minimising the carbon impact. Government guidance document 'The technology code of practice' has been republished recently to specifically reference the need to 'make your technology sustainable'. The use of Cloud solutions are referenced as more efficient.