

## MUNICIPAL YEAR 2019/2020 REPORT NO.

### REPORT OF:

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<b>Agenda – Part: 1</b>	<b>Item:</b>
<b>Subject: Pure Cloud Connect (ININ) Support Contract</b>	
<b>Wards: Key Decision No: 4892</b>	

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### 1. EXECUTIVE SUMMARY

In April 2015 LBE entered into a contract for a new telephony platform, implementation and support contract.

LBE's relationship with the current provider is giving rise to a significant business continuity risk.

This report seeks approval to proceed with the termination of the current supplier contract, which can be done without penalty within the term of our contract, and to procure the services of another supplier to provide the Support of the business-critical telephony solution 'PureCloud Connect' used by the Customer Services Centre.

### 2. RECOMMENDATIONS

2.1 Approval to give notice to exit the current contract arrangement.

2.2 Approval to go out to tender via a CCS Framework Agreement for a suitable supplier to support the current PureCloud Connect telephony product that is in use by our Customer Contact Centre and ICT Service Desk for a 1-year contract with possible extension of 1 more year.

### **3. BACKGROUND**

In 2015 Enfield Council started to review the council's telephony infrastructure and was keen to replace with a hosted platform and consolidate the many legacy telephony products. In 2016 we signed a contract with our current supplier.

Despite attempts to build one, Enfield no longer have a relationship with our current supplier and for the sake of business continuity have had to go directly to our sub-contractor to maintain a service provision.

Our current supplier has since changed its company business model and the contacts that lead the initial LBE contract agreement have left the company. As a result, we are reliant on the sub-contractor. Since the sub-contractor does not provide services direct, we cannot procure licences or services without a new reseller. This means that our services and business continuity are at risk.

This has prevented the council from rolling out the solution to the wider organisation to leverage the benefits and functionality and features that the solution provides. Parts of the organisation which could benefit from this platform are Adult Social Care and improving the customer pathway, Council Tax and Business Rates, Concessionary Travel, Overpayments, Planning and Planning Enforcement, Homelessness and the Multi Agency Safeguarding Hub dealing with vulnerable members of the public.

LBE now seeks to terminate the contract with our current supplier which is possible from the 5th April 2019 without any damages being payable and procure a new supplier to work along their sub-contractor for a contract term of 1 year with possible extension of 1 more year.

### **4. ALTERNATIVE OPTIONS CONSIDERED**

4.1 The procurement options explored were:

1. The use of a Crown Commercial Services (CCS) Framework
2. The use of a G Cloud Framework

CCS RM1045 Framework Lot 5 has been chosen because it includes the largest number of suitable vendors who supply and support the Pure Cloud Connect Solution.

4.2 The option of 'do nothing' was rejected for the following reasons:

- Business Continuity is at risk, as the current supplier will not engage, and we are reliant on their 3<sup>rd</sup> party engaging with us
- We are not getting full value for money from our contract
- We do not have an Account manager that we can liaise with to ensure an effective partnership and rapid issue resolution
- We cannot expand the use of the platform for a wider number of services, which is the council's strategic intent in order to rationalise telephony providers and use technology to promote a positive customer experience

## **5. REASONS FOR RECOMMENDATIONS**

The current supplier is not engaging or delivering its contractual obligations to the council. Despite their 3<sup>rd</sup> party providing the day to day support and maintenance of the platform, they have no direct legal obligation to LBE. This currently leaves LBE in a position of our business continuity and reputation being at risk.

We require approval for the procurement of a reliable support contract in place that will offer the level of support (SLAs) and project management to enhance the system and allow us the option of purchasing additional licences and functionality, subject to a separate DAR.

## **6. COMMENTS FROM OTHER DEPARTMENTS**

### **6.1 Financial Implications**

“Implementation of a hosted telephony infrastructure” to be funded from the ICT Application and Licencing budget FG0227.

Our intention is to procure a replacement supplier who meets our requirements and charges the same or less than our current supplier, but we are dependent on the bids that arise from the procurement process.

### **6.2 Legal Implications**

6.2.1 Section 111 of the Local Government Act 1972 gives a local authority power to do anything (whether or not involving the expenditure, borrowing or lending of money or the acquisition or disposal of any property or rights) which is calculated to facilitate, or is conducive or incidental to, the discharge of any of its functions.

6.2.2 The Council also has a general power of competence in section 1(1) of the Localism Act 2011. This states that a local authority has the power to do anything that individuals generally may do provided it is not prohibited by legislation.

6.2.3 The current call off contract which the Council has with our supplier allows the Council to terminate without penalty from the end of the third year.

6.2.4 The proposed services are above the threshold where an EU procurement is required under the Public Contracts Regulations 2015 (the Regulations).

6.2.5 The Council proposes to procure the services under a CCS Framework Agreement. Framework Agreements are an approved procedure under the Regulations and the provisions governing their use are set out at Regulation 33 of the Regulations. In order to utilise a Framework Agreement, a Contracting Authority needs to be identified in the initial procurement for establishing the Framework Agreement either individually or as a member of a class eligible to use the Framework Agreement.

6.2.6 Legal Services has reviewed the CCS Framework Agreement and the Call Off Contract and is of the view that these are satisfactory and meet the Council’s requirements.

6.2.7 The Council must ensure that Best Value principles are adhered to as set out under the Local Government Act 1999.

6.2.8 The value of the services is above the Key Decision threshold so the contract will need to comply with the Council's governance processes in respect of Key Decisions (see CPR 1.22.4).

### **6.3 Property Implications**

There are none.

### **6.4 Procurement Implications**

The CCS Framework was the most effective, transparent and fair route to market due to the costs being above the EU threshold. There would be minimum risks to the council as the Framework offers a comprehensive set of terms and conditions that have met with the approval of the Enfield legal department.

### **6.5 ICT Implications**

The replacement service is expected to be supported as now. No additional costs or change in inhouse IT service provision is required.

## **7. KEY RISKS**

- There is a risk that there is no solution that fully meets our needs and stays within the existing budget, but this risk is judged to be low
- There is a risk that a 2-year contract is not appealing to potential suppliers, again this risk is judged to be low
- There is a risk that the transition to a new supplier is difficult because the incumbent supplier has not been fulfilling its obligations effectively. This risk will be mitigated through the council obtaining and supplying the information required by the new supplier, and the good relationship that the council has established with the sub-contractor.

## **8. IMPACT ON COUNCIL PRIORITIES – CREATING A LIFETIME OF OPPORTUNITIES IN ENFIELD**

### **8.1 Good homes in well-connected neighbourhoods**

The council is actively in Transformation mode and central to this is the achievement of the laudable aspiration of the Customer Experience Strategy.

The telephony platform is the main channel of communication with resident, customers and contractors, stakeholders and the general public and securing a robust solution via this enterprise would ensure the delivery of the LBE customer promises which are as follows:

- friendly and helpful

- honest and respectful
- professional and courteous

Additionally, there is an interdependency of the project with other key transformative programmes such as the Customer Digital Platform and CRM Solutions. It is essential therefore for LBE to achieve the benefits of this projects to safeguard its reputation and retain public trust.

## **8.2 Sustain strong and healthy communities**

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## **8.3 Build our local economy to create a thriving place**

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## **9. EQUALITIES IMPACT IMPLICATIONS**

Not applicable

## **10. PERFORMANCE AND DATA IMPLICATIONS**

The ability to obtain regular high-quality data and management information reports for customer insight and performance management will be part of our service specification.

**11. PUBLIC HEALTH IMPLICATIONS**  
Not applicable