

# Approval to direct award a new contract to CGI IT UK Limited via a waiver of Contract Procedure Rules 8.1 and 8.2 to support Contact Centre Transformation

Date: 6<sup>th</sup> July 2022

Report of: IDS Project Manager - Resources

Report to: Chief Digital & Information Officer

Will the decision be open for call in?  Yes  No

Does the report contain confidential or exempt information?  Yes  No

## What is this report about?

### Including how it contributes to the city's and council's ambitions

- Direct award of a services contract to CGI IT UK Limited ("CGI") as a delivery partner to provide technical specialist resources to work alongside IDS to conduct user research in order to solution and build an online Adult Social Care (ASC) form. At present IDS lack skills and experience in the use of the chosen technologies, to build the form, in this case AWS Amplify and React.js. As part of the engagement CGI will work alongside the Council's developers to mentor and upskill and to provide development patterns for future similar online forms.
- The preferred supplier has significant experience of working using the new technologies and in the area with which the Council wished to build and deploy the new form. The proposal submitted for this work has competitive day rates, covers what we would expect to see in terms of output and can deliver in the required timeframe. Getting further quotes or undertaking a procurement at this stage would introduce delays and would not provide sufficient assurances that the Council would receive a better quality and cheaper cost proposal.
- This work is required to support delivery of proposals that were made as part of the budget savings proposals in 2020/21, particularly now that new technical capabilities are available via the deployment of Office 365. This technology will support the Contact Centre in deliver of their targets. However, the council does require experienced technical resources to work with and upskill Integrated Digital Services (IDS) staff.

## Recommendations

The Chief Digital & Information Officer is recommended to approve the direct award of a new contract via a waiver of Contracts Procedure Rules 8.1 and 8.2 (Intermediate value procurements) by awarding a contract to CGI for the provision of user research and specialist technical resources to build an online ASC Referral form, for the sum of £92,200. The contract shall commence no later than 05th September 2022 and expire end of November 2022 with the options to extend for a period of 2 x 1-month periods, with such an option not to be taken up more than 2 months in total.

## Why is the proposal being put forward?

- 1 As part of the 'Revenue budget update 2021/22 and budget savings proposals' report considered at the Executive Board meeting on 16 December 2020, a number of organisational design proposals aimed at realigning services to maximise savings, capacity and collaboration were put forward. These included a proposal to move the Council's Contact Centre from the Communities & Environment to Resources & Housing Directorate and to deliver further channel shift or automation.
- 2 These proposals, to deliver further channel shift and automation, are based on an independent review, undertaken in 2020 by Social Finance and InfinityWorks and high-level proposals were developed from an independent review of customer contact undertaken by Social Finance & InfinityWorks. The outputs of this were shared with Best Council Design Team in November 2020.
- 3 Associated with this is the target of £1m of savings to be achieved. The proposals agreed covered:
  - Reduction in customer contact and channel shift and the associated business changes that will need to be adopted;
  - Review of the technology platforms in use to provide a web presence and opportunities of any cost savings;
  - Development and delivery of projects which drive contact online and thereby reduce cost;
  - Development and delivery of projects which improve the end-to-end user experience and focus on improvements which result in fewer calls and complaints;
  - Development and delivery of projects which provide alternate automated means of handling customer calls;
  - Development and delivery of projects which manage demand against capacity within the Contact Centre; and
  - Development and delivery of initiatives which maximise the call handling capacity and match this to customer demand peaks.
  - Reduce contact via unstructured emails and move to webforms;
  - Divert telephony contact to online information;
  - Moving to citizens paying direct online and making payment at point of contact;
  - Exploit mobile solution for fieldworkers;
  - Convert existing pdf/word forms to online transactions.
4. Significant work has already taken place on the proposals. However, since 2020 the Council has deployed new technologies that can further support and speed up delivery of this agenda.

However, assistance is sought from an experienced supplier that can expediate delivery and knowledge transfer to IDS staff.

### What impact will this proposal have?

#### Wards affected:

Have ward members been consulted?       Yes       No

- 5 The technology will provide easier access to services and an improved customer experience.

### What consultation and engagement has taken place?

- 6 Consultation between senior staff within IDS has taken place.

### What are the resource implications?

- 7 This will involve internal resources working alongside a delivery partner to learn and undertake knowledge transfer in order to be able to develop and support digital solutions using AWS capabilities in the deployment of the solution. The ongoing support of any solutions developed and deployed will be undertaken by existing resources within IDS. Resource will be required from CIS developers to support on the discovery work to ensure the solution is future proof and can be integrated into CIS. There are no other resource implications.

### What are the legal implications?

- 8 The decision to award a contract to CGI is a Significant Operational Decision and is not subject to call-in but will be published. The report does not contain any exemptions or confidential information under the Access to Information Rules.
- 9 The value of the direct award detailed within this report is below the UK threshold for the application of the Public Contracts Regulations 2015 for the procurement of public services contracts and therefore it is not subject to the full rigour of the procurement regulations. However, the Council's Contracts Procedure Rules 8.1 and 8.2 require competition for procurements valued between £25k and £100K and the invitation of at least three written tenders.
- 10 A waiver of these Contracts Procedure Rules is required to award a contract direct to CGI. Awarding a contract direct to CGI without competition could leave the council open to a potential claim from other providers, to whom this contract could be of interest, that it has not been wholly transparent.
- 11 In terms of transparency, it should be noted that Contracts Procedure Rules suggests that contracts of this value should be subject to a degree of advertising. It is up to the Council to decide what degree of advertising is appropriate. In particular, consideration should be given to the subject-matter of the contract, its estimated value, the specifics of the sector concerned (size and structure of the market, commercial practices etc.) and the geographical location of the place of performance. The Chief Digital & Information Officer has considered this and, due to the nature of the services being delivered, the system being proprietary to CGI, and the relatively low value and short length of the contract, is of the view that the scope and nature of the services is such that it would not be of interest to contractors in EU member states. In awarding the contract without competition, there is a potential risk of challenge from other providers who have not been given the chance to tender for this opportunity, although this risk is considered low due the technical reasons set out in this report.

- 12 There is a risk of an ombudsman investigation arising from a complaint that the Council has not followed reasonable procedures, resulting in a loss of opportunity. Obviously, the complainant would have to establish maladministration. It is not considered that such an investigation would necessarily result in a finding of maladministration however such investigations are by their nature more subjective than legal proceedings.
- 13 Although there is no overriding legal obstacle preventing the waiver of CPR 8.1 and 8.2, the above comments should be noted. In making their final decision, the Chief Digital & Information Officer should be aware of the risk of challenge to the Council identified above and be satisfied that on balance the course of action chosen represents Best Value for the Council.

### **What are the key risks and how are they being managed?**

- 14 Key risks relate to not being able to deliver the financial savings identified.
- 15 In order to manage this, consideration has taken place to identify the most appropriate solution for successful and cost effective delivery for the Council.

### **Does this proposal support the council's three Key Pillars?**

Inclusive Growth       Health and Wellbeing       Climate Emergency

- 16 This will see the introduction of technology that will improve the citizen experience when accessing council services on-line and also via the telephony route. By making ASC referrals more accessible for professionals and improving service delivery, this new solution will support overall health and wellbeing for LCC residents

### **Options, timescales and measuring success**

#### **What other options were considered?**

- 17 Three quotes were obtained and have been evaluated. The proposal submitted for this work has competitive day rates, covers what we would expect to see in terms of output and can deliver in the required timeframe. Getting further quotes or undertaking a procurement at this stage would introduce delays and would not provide sufficient assurances that the Council would receive a better quality and more cost-effective proposal.

#### **How will success be measured?**

- 18 Implementation of AWS technologies and 'React' to create an ASC online form implementation accessible by external parties via the Council's website and by Contact Centre staff demonstrating the capture of all agreed data which can be production ready (date to be agreed by the Council) to be used to process a referral with or without integration with CIS.
- 19 IDS staff trained in how to further develop forms using the new technologies.
- 20 Provision of technical patterns for future development of a Council forms platform on AWS Amplify.
- 21 Deliver the online form with the target timeline and cost and agreed quality criteria as defined during the discovery phase.

#### **What is the timetable for implementation?**

- 22 The supplier will commence work in September 2022.

## Appendices

23 See below.

## Background papers

24 N/A

## Appendix 1

### What is your reason for waiving CPRs?

There is a genuine, unforeseeable emergency meaning there is no time to go through a procurement process e.g., to deal with the consequences of extreme weather.	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
To purchase supplies or services on particularly advantageous terms due to liquidation/administration.	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Requirement to put a contract in place with a current provider whilst a review of the services is completed.	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Ran out of time to undertake a new procurement exercise	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Other (please provide summary here) Please refer to report.	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No