



Cabinet
29 June 2015

**Report from the Chief Operating
Officer**

Wards Affected:
ALL

**Authority to Award Contract for the Supply of ACD Call
Centre Software for Customer Services**

1.0 Summary

1.1 This report requests authority to award a contract as required by Contract Standing Order No 88. This report summarises the process undertaken in procuring this contract and recommends to whom the contract should be awarded.

2.0 Recommendations

2.1 That Members award a contract for ACD Call Centre Software for Customer Services to Freedom Communications (UK) Ltd, for a period of three (3) years plus two (2) possible single year extensions.

3.0 Detail

Background

3.1 The Purpose of this report is to get agreement from the Cabinet to award a new contract for an ACD solution for handling and managing customer contacts.

3.2 The ACD solution is used to handle high volumes of incoming telephone calls to the customer services contact centre, Housing Benefits and Council Tax as well as smaller contact centres in Finance, Registrars, Housing and Brent Housing Partnership, Transportation, Business Support and the Multi Agency Strategic Hub. Plans are in place to roll ACD usage out to other services over the next 12 months. Officers are also currently piloting the use of the solution to administer

incoming customer emails and in the future anticipate exploring the use of the ACD solution for webchat and social media customer interaction.

- 3.3 The solution is a key component of a new Community Access strategy which is aiming to improve residents' experience when they contact the Council. In order to achieve this a new telephone operating model is planned which includes the use of ACD technology to manage the majority of customer telephone calls. The Council currently has up to 120 concurrent users using the ACD system, however we are licensed for 300 concurrent users and we expect to be increasing our use of the solution significantly.
- 3.4 The current supplier of this solution is Interactive Intelligence. The existing contract expired on 31 March 2015 and there was no further contractual provision to extend this. Following cabinet approval the contract was extended for 6 months to the 30th of September 2015, to allow adequate time for a competitive procurement process to take place and the new solution to be implemented.

Outline of Tender Process

- 3.5 Tenders were invited from the Crown Commercial Service (CCS) Framework RM1498 PSN Services Lot 5 Contact Centre Services.
- 3.6 Tenders were invited on 11th May 2015, using the CCS eSourcing system. Of the 11 suppliers on Lot 5 of the framework, one submitted a tender.
- 3.7 The Invitation to Tender stated that the selection of the supplier to be awarded the contract would be made on the basis of the most economically advantageous tender, and that in evaluating tenders, the Council would have regard to the following:
 - Compliance with the requirements specification (50%)
 - Implementation (15%)
 - Training (10%)
 - Service Levels (25%)

These quality criteria were then weighted against tender price in the ratio 60:40.

Evaluation Process

- 3.8 The tender evaluation was carried out by a panel of officers from Brent's IT and Customer Services departments, and Brent Procurement.

- 3.9 All tenders had to be submitted electronically no later than noon on 27th May 2015. Tenders were opened on 27th May 2015 and one valid tender was received. Each member of the evaluation panel read the tender using evaluation sheets to note down their comments on how well each of the award criteria was addressed.
- 3.10 The supplier was invited to attend a presentation and clarification meeting on 1st June, where they presented their solution and the panel asked, and received answers to, some clarification questions.
- 3.11 The panel then agreed final scores against the award criteria.
- 3.12 The evaluation panel scores are contained in Appendix 1. As a single tender was received which met acceptable standards and price, officers therefore recommend the award of the contract to that tenderer, Freedom Communications (UK) Ltd.
- 3.13 The offer from Freedom Communications is for the ongoing maintenance of our existing system from Interactive Intelligence, as such we do not need to implement anything apart from any new features as and when required during the contract.
- 3.14 The contract will commence on 1st October 2015. As this is a procurement from a framework, a standstill period is not required.

4.0 Financial Implications

- 4.1 The Council's Contract Standing Orders state that contracts for supplies and services exceeding £250k or works contracts exceeding £500k shall be referred to the Cabinet for approval of the award of the contract.
- 4.2 The estimated value of the contract for the maintenance of the existing solution over the initial three year period is £248,927.13. We have a potential additional requirement for licenses that would cost an additional £13,125 to procure, with an annual maintenance of £2,362.40, bringing the total value of the contract for the three years to £264,414.53.
- 4.3 The cost of the contract will be funded from the existing revenue budget for the maintenance of the existing ACD solution, with the additional requirements funded by Customer Services.

5.0 Legal Implications

- 5.1 The proposed call-off contract is for a managed telecommunications software and maintenance service procured under the CCS PSN

Framework that commenced on 27th June 2012. Therefore, the mini competition was subject to the Public Contracts Regulations 2006 (as amended) (the “EU Regulations”).

- 5.2 The value of the proposed call-off contract is classed as a High Value Contract under the Council’s Contract Standing Orders, whereby requiring Cabinet approval to award the contract.
- 5.3 In accordance with regulation 32 (6B) of the EU Regulations, there is no requirement to issue candidates or tenderers with an award decision notification as for this particular tender process there was only the sole bidder that participated. Moreover, officers are not required to observe a standstill period when procuring a call-off contract under a framework (in accordance with regulation 32 (7) of the EU Regulations).

6.0 Diversity Implications

- 6.1 The proposals in this report have been subject to screening and officers believe that there are no diversity implications.

7.0 Staffing/Accommodation Implications

- 7.1 There are no implications for council staff arising from awarding the proposed contract.

Contact Officers

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APPENDIX 1

Contract for the Supply of ACD Call Centre Software for Customer Services

TENDER EVALUATION GRID

The tenders were evaluated using the following criteria:

Evaluation Criteria	Score	Weighting	Weighted Score
Compliance with the requirements specification (55 individual requirements, each weighted 1 – 4)	3.09	50%	38.63%
Implementation	3	15%	11.25%
Training	3	10%	7.50%
Service Levels	3	25%	18.75%
Total Quality Score		100%	75.00%
Weighted Total Quality Score		60%	45.00%
Price Score		40%	40.00%
Total Tender Score		100%	85.00%

The quality scores were based on the following methodology:

Score	Criteria
0	Unacceptable
1	Acceptable but has significant deficiencies
2	Acceptable but has slight deficiencies
3	Meets the requirement
4	Meets the requirement and has enhancements