

**Decision Maker:**      **Executive**

**Date:**                      **16 October 2019**

**Decision Type:**      Non-Urgent                      Executive                      Non-Key

**Title:**                      **CUSTOMER SERVICES IT SYSTEM REVIEW**

**Contact Officer:**      Duncan Bridgewater, Head of Customer Service  
Tel: 020 8461 7676    E-mail: duncan.bridgewater@bromley.gov.uk

**Chief Officer:**              Charles Obazuaye, Director of Human Resources & Customer Service  
Tel: 020 8313 4318    E-mail: charles.obazuaye@bromley.gov.uk

**Ward:**                      All

---

## **1. REASON FOR REPORT**

- 1.1 Following approval to upgrade the Council's existing Customer Relationship Management System (CRM) in January 2018 and commission BT to review options for the longer term provision of this system, this report updates Members on the outcome of that review and recommended action as a result.
- 

## **2. RECOMMENDATIONS**

### **2.1 Executive is requested to:**

**Note the need to replace the current CRM software as outlined in this report.**

- 2.2 Agree that officers procure by direct award via the G-Cloud Framework a subscription of the Jadu CXM case management software for a period of 4 years (2 years plus 2 one year extensions being the maximum allowable under the framework), and agree delegated authority to the Director of Human Resources and Customer Service and the Head of Customer Service in consultation with the Portfolio Holder for Resources, Commissioning and Contracts Management to renew the subscription for Jadu CXM via a compliant route for a period of up to 15 years, subject to regular reviews of the ongoing business needs.**
- 2.3 Agree that officers commission BT by Change Control Notice (CCN) to their existing contract to transfer services from the existing CRM software on to the new Jadu CXM platform, including all associated integration as outlined in section 4.3 of this report.**
- 2.4 Agree the addition of the required capital sum to the capital programme.**

**2.5 As set out in paragraphs 4.3.8 to 4.3.10 approve renewal, via exemption to competitive tender, of existing annual support arrangements for the associated IT software components of the Council's website for a period of up to fifteen years**

## Impact on Vulnerable Adults and Children

1. Summary of Impact: An Equality Impact Assessment indicates that ongoing support for vulnerable adults and children will be provided by Customer Service by phone and face to face for those unable to access digital services. For those unable to visit or phone us, this proposal will enhance the range of self-service options.

## Corporate Policy

1. Policy Status: Existing policy.
  2. BBB Priority: Excellent Council.
- 

## Financial

1. Cost of proposal: Included within Part 2 report
  2. Ongoing costs: Included within Part 2 report
  3. Budget head/performance centre: Information Systems
  4. Total current budget for this head: £4.8m
  5. Source of funding: Capital Receipts & Existing Revenue Budget
- 

## Staff

1. Number of staff (current and additional): N/A
  2. If from existing staff resources, number of staff hours: N/A
- 

## Legal

1. Legal Requirement: No statutory requirement or Government guidance.
  2. Call-in: Call-in is applicable
- 

## Customer Impact

1. Estimated number of users/beneficiaries (current and projected): 64,000 visitors, 680,000 phone calls, 20,000 e-mails and 4.5 million web visits annually.
- 

## Ward Councillor Views

1. Have Ward Councillors been asked for comments? No.
2. Summary of Ward Councillors comments: N/A

### **3. COMMENTARY**

- 3.1 In January 2018, Executive agreed to upgrade the Council's Customer Relationship Management System (CRM) – Microsoft Dynamics to version 2011. This was to preserve service support for this system to enable its ongoing use until Summer 2021.
- 3.2 BT was commissioned to carry out this work on behalf of the Council, and work was successfully completed in May 2018.
- 3.3 In parallel, BT were asked by Executive to carry out an appraisal of options for the Council of the longer term service provision of IT services delivered by the current CRM system, and provided a fully costed options assessment of the current system market.
- 3.4 This review combined a full market evaluation of the current market, against a cost appraisal of continuing with the Microsoft option and the associated costs to bring the system up to the latest available version.
- 3.5 BT's review combined an assessment of the marketplace, against the ongoing business requirements of the key system users, considering the commissioning profile of those services, IT strategy and the need to maximise customer digital services.
- 3.6 Specifically the new contract for Waste Collection, which included provision for IT systems, has removed the need for the Council to maintain a high specification CRM system as we do now.
- 3.7 Since the new Waste Collection contract commenced, IT provision transferred to Veolia, and has left much of the current CRM functionality redundant. Ongoing, however, there is a requirement to have a Case Management system to support customer transactions through Customer Services including the web site.
- 3.8 To remain using Microsoft Dynamics CRM in the future, would require further major upgrade work, and has a significantly higher annual license cost.
- 3.9 An option to stop using any type of CRM software has also been explored, and is outlined in 4.2.5

### **4. SUMMARY OF THE BUSINESS CASE**

BT considered all current system options, and shortlisted three for closer review. Each option was considered through both cost and functionality, benchmarked against the business needs identified throughout the review and in consultation with relevant service personnel. Each provider was invited in to demonstrate their system to relevant officers, and BT consolidated their feedback to inform the final recommendation.

#### **4.1 SERVICE PROFILE/DATA ANALYSIS**

- 4.1.1 This software supports the provision of customer service operations by providing a platform to process service requests from the public. This includes all contact channels – in person, by phone and on-line.
- 4.1.2 The system currently supports the front end contact aspect of services provided by Environment and Community Services, as well as the My Account supporting self-service for this area and Revenues & Benefits.
- 4.1.3 Annually around 70,000 telephone calls, 500 face to face interactions and 72,000 web transactions are processed and supported through this software, as well as 47,000 (and

rising) My Account holders update their contact and address information through it.

## **4.2 OPTIONS APPRAISAL**

4.2.1 BT shortlisted 3 system options and considered removing all CRM software completely.

### **Option 1**

4.2.2 Capita One Digital – this software currently provides the digital services for Revenues and Benefits, and could be extended to provide case management functionality. It would require configuration, but could support the transactional elements required for the customer service operations. There are limited examples of deployment beyond the Revenues and Benefits area of services, and few system integrations beyond other Capita software, resulting in higher costs in the future, should the Council wish to extend linkages to other systems. For these reasons this option has been ruled out.

### **Option 2**

4.2.3 Jadu CXM – this is a further module of software from the providers of the current web site content management system, web forms, and e-pay service. It is a configurable case management system, which is deployed in a number of Councils, with an impressive list of established integration routes into a number of key local authority lines of business systems. There is a library of established local authority business processes that could be used to speed up deployment. This software will best align with our existing web supporting systems and presents good value for money. This is the recommended option.

### **Option 3**

4.2.4 Microsoft Dynamics – the latest version of the current CRM system, requires a complete system re-build to deploy, and is not a straightforward upgrade. The software itself is over specified for the ongoing needs of the Council as outlined in 3.7. The future license costs for this system are high in comparison and would lead to revenue budget growth. For these reasons this option has been ruled out.

### **Option 4**

4.2.5 No CRM – total removal of the CRM software would remove much of the automation of processes established over the 10 years it has been in use. This would create the need for additional resources (staff) in a number of areas, including but not limited to Customer Services. There would also be additional cost to provide direct licensed access to a number of line of business systems that are currently integrated through CRM for Customer Services, therefore avoiding direct user license costs. For these reasons this option has been ruled out.

## **4.3 PREFERRED OPTION**

4.3.1 CXM is the preferred option and has been recommended by BT. As well as favourable on cost, it aligns with the other systems already deployed supporting the core web site, web forms, e-pay services and Bromley My Account.

4.3.2 The system is cloud hosted and the providers have a considerable library of pre-established 'off the shelf' business processes to support customer interaction, which could speed up deployment and aligns to the corporate IT strategy.

4.3.3 The provider also has a significant number of fully functioning system integrations already established and deployed across a number of local authority sites that link this software to many line of business systems. This provides this Council with the opportunity of utilising those established integrations, avoiding the cost of developing those directly, again aligning to the corporate IT strategy.

4.3.4 By aligning the web services software to the same provider, as per the recommendation, the digital customer experience through the My Account software could be further improved in a

number of ways by deploying the following changes. This will support digital take up and encourage more use of these digital channels. The options available include:

- Option to develop a lower level security layer for My Bromley Account customers. Although still secure, this will simplify and ease the process for reporting lower sensitivity issues through the My Account software. This would be in addition to the existing access controls in place for Revenues & Benefits services
- Option to enable auto fill on web forms
- Option to enable save and return later on partially completed web forms
- Enable tracking and alerts of issues logged through My Account, and providing updates to resolution, reducing chase-up calls to the service
- Enables more personalisation of the My Account home page, with wider corporate digital services
- Personalisation of embedded functions such as bin day look up, ward and local Councillor information

4.3.5 To enable these, the Customer Services contractor will make some minor alterations to the existing operating software configuration.

4.3.6 The benefits of this additional work will enable simpler access to the My Account software, leading to more use as customers both naturally shift to easier channels and are assisted where required by Customer Services. This aligns with the digital transformation direction of travel and wider IT strategy.

4.3.7 The current software was deployed in 2007, and has therefore been in service for 12 years. The new software therefore is likely to be required for a period of around 15 years, but will be subject to regular review by officers from year 5 onwards. However, the nature of the software is that it is highly configurable by non-technical staff, and can therefore be flexible in its ongoing provision of front-line service delivery.

#### **Support Agreements for associated systems**

4.3.8 As outlined in 4.3.1, the Council already has the following Jadu IT components in service, which run the corporate website:

- Continuum – content management software
- X-Forms – electronic web forms
- E-pay – electronic shopping basket/payment systems

4.3.9 Each of these components can only be supported by a technical support agreement with the providing company Jadu, and are renewable annually.

4.3.10 Approval is also sought to renew each support agreement for a period of up to 15 years, to align with the CXM software. The full suite of software components will be subject to regular monitoring by officers, and the ongoing requirements will be subject to review from year 5 onwards.

## **4.4 MARKET CONSIDERATIONS**

4.4.1 The review undertaken for the Council by BT considered the whole market of suitable CRM products, and the future needs of the Council and its use of this software. A number of systems were reviewed and a shortlist of three system options along with a no CRM option were used to formulate their final report.

## **5. STAKEHOLDER ENGAGEMENT**

- 5.1 BT consulted fully with all system users, across Customer Services, ECS and within their own IT contract support staff. A full and comprehensive system needs analysis was completed as a result of this, formed the basis of the shortlisting activities by BT.
- 5.2 All reports provided were aligned to the corporate IT strategy and digital transformation objectives agreed, as well as Building a Better Bromley – Excellent Council.
- 5.3 Engagement with relevant service heads will continue throughout deployment to ensure processes fit the relevant business model, and align where possible with ‘off the shelf’ configuration. This will be one of the key functions of the project delivery team formed should the recommendations be approved.
- 5.4 Engagement with the wider organisation and customers will also happen, to inform deployment and enable wider utilisation of the software across a fuller range of Council services, where possible.

## **6. PROCUREMENT AND PROJECT TIMESCALES AND GOVERNANCE ARRANGEMENTS**

- 6.1 Procure a subscription for cloud hosted CXM module by Jadu via G-Cloud Framework for a period of up to 4 years (*2 years plus 2 one year extensions being the maximum allowable under the framework*), including all hosting and support costs, funded from existing revenue budget 400031~3005~A0213
- 6.2 Commission BT under existing contract via CCN to fulfil the work required to transfer services to the new platform before July 2021 when the current system becomes unsupported.
- 6.3 The contract will be managed by Customer Services, with the same approach with the other modules from Jadu, and with close liaison with IT and Customer Services service provider contractors.
- 6.4 The deployment of the new software will be overseen by a technical project manager provided by BT. Non-technical project support resource will be appointed as required on a temporary basis for the duration of the deployment estimated to be 18-24 months and managed by Customer Services.
- 6.5 A project team will be organised and regular meetings scheduled by Customer Services to ensure project delivery within the indicated timeframes.

## **7. SUSTAINABILITY AND IMPACT ASSESSMENTS**

- 7.1 The deployment of this software will further enable customers to access our services on-line, 24/7, as many expect across both private and public sectors and avoid the need to travel to face-to-face service points across the borough. Take up will be supported and encouraged by Customer Services, and is a key aspect of the future delivery of that contract beyond 2020.
- 7.2 Support for vulnerable customers is also a key provision of the Customer Services contract, and a full Equality Impact Assessment has been carried out to align to the recommendation. Vulnerable customers will be supported to either learn the digital processes with us, through supported access in Receptions and other face-to-face access points, or have their service requests logged for them as is traditionally done.

## **8. POLICY CONSIDERATIONS**

- 8.1 IT provision in the new Waste Contract has transferred all IT system responsibility to the new contractor, therefore releasing the Council from running a full CRM system and the costs associated with it.
- 8.2 Corporate IT strategy states the Council should use 'off the shelf' functional software where possible and avoid bespoke configuration. Cloud based applications are also preferred by this strategy. This report and recommendations directly align to that strategic vision.
- 8.3 The recommended software best enables the Council to maximise digital take-up and expand the range of services available through it, with simple non-technical configuration possible along with a library of established processes deployed in other Councils across the UK.
- 8.4 The recommended software can be aligned to established integrations into an increasing number of local authority lines of business systems, which will support any future wider application across the Council.

## **9. IT AND GDPR CONSIDERATIONS**

- 9.1 All activities are conducted under existing contracts and are fully GDPR compliant.
- 9.2 Consideration was given to the need for new and emerging technology, and for the changing need of the organisation.
- 9.3 Information Security and Access control for the systems will need to be assessed and ICT Assurances met in line with the Council's Information Security Policy.

## **10. PROCUREMENT RULES**

- 10.1 This report recommends an award of contract to Jadu for provision of CXM Case management software via direct award from the Crown Commercial Services G-Cloud Framework for duration of two years with two one year extension options. The relevant companies were reviewed against the Specification, with the Jadu CXM case management software fulfilling the majority of the Workforce Development Team's requirements.
- 10.2 The Council's requirements for authorising an award of contract are covered in CPR 16. For a contract of this value, the Approval of the Chief Officer following Agreement by the Chief Officer, the Assistant Director Governance & Contracts, the Director of Corporate Services and the Director of Finance must be obtained for a contract of this value.
- 10.3 In addition, the report recommends to award via exemption from competitive tender a number of support contracts also to Jadu. As stated in 4.3.13 above.
- 10.4 The Council's requirements for authorising an award of contract via an exemption from tender are permissible under the general waiver power of the Council (CPR 3.1). The Council's specific requirements for authorising an exemption are covered in CPR 13 with the need to obtain the Approval of the Portfolio Holder following Agreement by the Chief Officer, the Assistant Director Governance & Contracts, the Director of Corporate Services and the Director of Finance for a contract of this value.
- 10.5 The relevant notices will be published following approval.

## **11. FINANCIAL CONSIDERATIONS**

- 11.1 Please see Part 2 (exempt) report for further details on the financial implications.

## **12. PERSONNEL CONSIDERATIONS**

12.1 A temporary fixed term post to support the project delivery will be appointed by the lead officer.

### 13. LEGAL CONSIDERATIONS

13.1 The Council have the legal power to secure Management systems and associated software through entering into a contract and license in support of and to facilitate the Councils various administrative functions identified in this report.

13.2 Under the Public Contract Regulations 2015 (Regulations) the procurement of these supplies and services are public contracts within the meaning of the Regulations.

13.3 In relation to the Councils system migration requirement officers have advised that this can be obtained from the Councils current Provider BT through a Change Control Notice in compliance with the Regulations. Regulation 72 (1) of the Public Contracts Regulations 2015 permits modifications to an existing contract without having to carry out a procurement where the modification has been provided for in the contract in clear, precise and unequivocal review clauses, provided such review clauses states the scope and nature of possible modifications or options as well as conditions under which they may be used.

13.4 In relation to the requirement of case management software of the new Jadu CXM Platform and subscriptions as the value does not exceed the relevant threshold under the Regulations the Council was not required to carry out a fully compliant EU Procurement exercise. However the award must still comply with the EU treaty principles of equality transparency and non-discrimination which must be applied in a manner proportionate to the subject matter and context of the purchase. The Regulations would however accept compliance where the Council were to call-off from an EU compliant framework which is expressed as being available to the Council. The Council intend to procure from Crown Commercial Services G-Cloud Framework and after having explored suppliers able to meet the Council's requirement officers have decided to make a direct award to Jadu. The report explains the reasons for seeking the further recommendation to provide an officer delegation as described in relation to need for the ongoing subscription services.

13.5 In relation to the ongoing support for the modules again as the value over the proposed 15 years does not exceed the Services Threshold the Council must carry out its procurement in accordance with the Treaty principles. However in this case officers have advised that the support can only be provided from this provider and therefore a direct award is appropriate.

13.6 The Procurement Rules Section 10 of this report shows compliance with the Contract Procedure Rules and decision-making.

13.7 Considerations concerning the recommendation for the addition to the capital programme have been addressed elsewhere in this report.

<b>Non-Applicable Sections:</b>	
Background Documents: (Access via Contact Officer)	Appendices available in the Part 2 report