

Report to Cabinet

Thursday 25th July 2019

By The Leader

DECISION REQUIRED



Not Exempt

Approval of Telephony and Contact Centre Procurement Tender Process

Executive Summary

The purpose of this report is to seek Cabinet approval to delegate authority to the Director of Corporate Resources to award a contract for the supply and maintenance of the Council's Telephony System contract. This need arises because the Council is currently out of contact with its current supplier. The contract will also provide the Council with further opportunity to call off additional Services covered under the Telephony Contract at any time during the term of the contract.

Recommendations

That the Cabinet is recommended:

- i) To delegate to the Director of Corporate Resources, in consultation with the Cabinet Lead for Finance & Assets, to award the contract for the provision of telephony after the tender process is complete.

Reasons for Recommendations

In line with the Constitution Cabinet would normally (approve the) award any contract with a total value over £250,000. The report recommends a delegation to the Director of Corporate Resources to avoid this delay.

Background Papers

There are no background papers

Wards affected: The proposal will affect all Wards.

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Background Information

1 Introduction and Background

- 1.1 The current contract for the supply and maintenance of telephony system expired in 2018. The current contract is with Unify (now Atos Information Systems) and has been in place since 2013.
- 1.2 Horsham District Council have used the G-Cloud Framework to procure the new Telephony System. The benefits of the G-Cloud framework:

No negotiation with suppliers, supplier selected from a list derived from a search using our requirements and information they provide.

Suppliers listed on this framework provide a greater choice in the area in which we were looking to procure.

2 Relevant Council policy

- 2.1 The project supports the Council Policy for Efficiency in facilitating the delivery of great value public services.

3 Details

- 3.1 The process will look to establish a contract for a sole provider to Horsham District Council. The term of the contract will be an initial 2 years with an extension option of a further 1- year + 1-year subject to the provision of a telephony and contact centre system being provided to the Council. The total cost of the contract would therefore be £466,875.20, this is based on contract provided by the Supplier via G-Cloud framework.
- 3.2 The contract will cover a Cloud based telephony system, contact centre, reception and out of hour's functionality, lease, support and maintenance of the telephony system and handsets for the Councils entire telephony function.
- 3.3 There are unlikely to be any savings but as the system is fully cloud based we have Business Continuity and better functionality than the current system.
- 3.5 As the total value of this contract, including the potential extension and extra services, would exceed £250,000 award of this contract is a key decision and would normally be approved by Cabinet. This report seeks a delegation of the award to ensure swift implementation.

4 Next Steps

- 4.1 The Cabinet is requested to approve delegating authority for the award of this contract following a competitive procurement exercise. This will allow the project to be delivered on schedule and to prevent any potential delays and any cost over-runs associated with delays to the mobilisation and implementation of the new service.

5 Views of the Policy Development Advisory Group and Outcome of Consultations

- 5.1 The Policy Development Advisory Group for Finance & Assets was consulted on. The Group supported the proposal.
- 5.2 The Council's Monitoring Officer has reviewed and states that there are no implications of this decision.
- 5.3 The section 151 Officer says there are no financial implications of this decision.

6 Resource Consequences

- 6.1 There are no staffing consequences.
- 6.2 The total value of the contract for the proposed system is likely to be slightly more expensive than the existing system, but we get more functionality and flexibility. By reducing the number of handsets all costs will be contained within the existing budget. Over time this will reduce further.

7 Legal Consequences

- 7.1 The value of the proposed contract is higher than the EU threshold for Supplies and the award of the Contract is therefore governed by the Public Procurement Regulations 2015, These Regulations allow for the use of framework agreements and prescribe rules and controls on their procurement. These rules and controls have been followed. The Framework is underpinned by Terms and Conditions as set out under the G- Cloud Framework, these have been reviewed by legal and approved for use.

8 Risk Assessment

The risks and implications for not granting delegated authority to approve the award of the contract following a procurement exercise are:

- Paying higher rates having reduced contract coverage due to requirement of short-term agreements required to cover the period the Council are outside of the new contract.
- More resource intense activities to ensure service continuity whilst awaiting migration to new contract.
- Misalignment with the project timetable leading to key milestones within the phasing programme to be missed and causing time and cost overrun.

9 Other Considerations

- 9.1 This report has no effect on Crime & Disorder; Human Rights; Equality & Diversity or Sustainability from this delegation.