



CABINET - 31ST OCTOBER 2018

SUBJECT: PROPOSAL TO ESTABLISH AN EARMARKED RESERVE FOR INVESTMENT IN DIGITAL TECHNOLOGY

REPORT BY: CORPORATE DIRECTOR FOR EDUCATION AND CORPORATE SERVICES

1. PURPOSE OF REPORT

- 1.1 To seek Cabinet approval to establish an earmarked reserve from the current 2018/19 net projected revenue budget underspend for Education and Corporate Services to facilitate investment in Digital Technology to effectively transform Customer Services within the Authority.

2. SUMMARY

- 2.1 The Authority currently hosts a number of software packages to support customer interaction with the Authority. In the main these are standalone solutions with limited end to end interaction which therefore entails a large amount of double punching and staff intervention.
- 2.2 The current Customer Relationship Management (CRM) solution is an in house platform with limited opportunities for enhancement. The solution is currently not fit for purpose.
- 2.3 There is a clear need for a strategic direction on the use of digital technology within the Authority, to optimise service transactional efficiencies, but also to take a corporate role in customer engagement whilst integrating processes across our front line services to deliver a consistent and effective customer journey.
- 2.4 This report therefore recommends the establishment of an earmarked reserve to procure suitable digital technology which will support the modernisation of the Customer Services provision.

3. LINKS TO STRATEGY

- 3.1 The Wellbeing of Future Generations (Wales) Act 2015 is about improving the social, economic, environmental and cultural wellbeing of Wales. It requires public bodies to think more about the long term, working with people and communities, looking to prevent problems and take a more joined up approach. This will create a Wales that we all want to live in, now and in the future. The Act puts in place seven wellbeing goals and the contents of this report which will hopefully contribute to significant levels of community regeneration and infrastructure development potentially links into all seven wellbeing goals.

4. THE REPORT

- 4.1 It has been reported that no industry will go untouched by digital transformation. The Authority is currently developing its approach and Digital Strategy.

- 4.2 There is clearly a reformation of Customer Services and many believe this is being driven by the Customer themselves.
- 4.3 The digital age has transformed how many of us live our lives. It has had a huge impact on the way people shop and share experiences. Confidence in digital technology is undoubtedly changing the way Customers wish to interact with the Public sector.
- 4.4 In order for the Authority to develop its digital technology offering and customer experience there is a need to invest in new technology.
- 4.5 The Directorate has achieved agreed one off savings earlier than anticipated and this has enabled funding to support this earmarked reserve to be released. This has been achieved through proactive vacancy management and improved efficiencies.
- 4.6 Officers have recently presented digital solutions which will bring business efficiencies and transformation to Customer Services.
- 4.7 Quotations have been received from Abavus Ltd. The proposal is for an enterprise solution as detailed in Appendix 1. The proposal currently provides for a full suite of applications which support the organisation in its transformation of the Customer Services and Customer engagement programme. The proposal currently estimates costs for full implementation including integration and training. However, Officers believe we have the people with the right skill sets and capability within our own IT Service to carry out much of this work internally and thus reduce the total costs.
- 4.8 It is difficult to project actual costs outside of the initial licence costs at this stage. However, as mentioned in paragraph 4.7 Officers will undertake some of the integration and training internally within Digital Services but we will require some specialist external support.
- 4.9 Therefore it is proposed to procure the enterprise licences required for unlimited users for a cost £72.5k per annum for four (4) years at a total cost of £290k. This will leave a balance of £210k on the proposed earmarked reserve and it is recommended that this sum is used to procure the required integration and training as and when required, in consultation with the Director for Education and Corporate Services and the Cabinet Member for Corporate Services.
- 4.10 In the longer-term it is anticipated that efficiencies generated through improved ways of working will provide the funding to meet annual costs beyond the initial 4 year agreement.

5. WELL-BEING OF FUTURE GENERATIONS

- 5.1 This report potentially contributes to all seven wellbeing goals as set out in the Links to Strategy section above. These include:-
- A globally responsible Wales
 - A prosperous Wales
 - A resilient Wales
 - A healthier Wales
 - A more equal Wales
 - A Wales of cohesive communities
 - A Wales of vibrant culture and thriving Welsh language.

6. EQUALITIES IMPLICATIONS

- 6.1 There are no potential equalities implications associated with this report for any specific groups or individuals therefore a full Equalities Impact Assessment has not been carried out.

7. FINANCIAL IMPLICATIONS

- 7.1 As detailed in the report it is proposed that an earmarked reserve of £500k is established to procure the enterprise licences required for unlimited users four (4) years and to meet the costs of integration and training.

8. PERSONNEL IMPLICATIONS

- 8.1 There are no personnel implications associated with this report.

9. CONSULTATIONS

- 9.1 This report reflects the views of the listed Consultees.

10. RECOMMENDATIONS

- 10.1 It is recommended that Cabinet approves the establishment of an earmarked reserve to fund the following: -
- The initial procurement of the enterprise licences via GCloud at a cost of £72.5kper annum for four (4) years (total cost £290k).
 - £210k for integration and training costs which will be agreed by the Director of Education and Corporate Services in consultation with the Cabinet Member for Corporate Services as and when required.

11. REASONS FOR THE RECOMMENDATIONS

- 11.1 To enable the Authority to develop a suitable digital infrastructure for Customer Service

12. STATUTORY POWER

- 12.1 Local Government Act 1972 and 2000.

Author: Richard Edmunds, Corporate Director (Education and Corporate Services)
Consultees: Steve Harris, Interim Head of Business Improvement Services
Nicole Scammel, Head of Corporate Finance & Section 151 Officer
Elizabeth Lucas, Head of Customer and Digital Services
Cllr Colin Gordon, Cabinet Member for Corporate Services
Robert Tranter, Head of Legal Services / Monitoring Officer

Appendices:

Appendix 1 - A Quotation from G Cloud framework – Abavus Ltd

ABAVUS LIMITED DRAFT ENTERPRISE PRICING PROPOSAL

Document

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Date: 2 October 2018

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1. Purpose

This short document is aimed at providing Liz Lucas, Caerphilly County Borough Council, a pricing proposal for the annual subscription purchase over a 4-year period of the full associated enterprise suite of My Council Services technology. This technology is currently also deployed at sites including Torfaen Borough Council, Monmouthshire County Council, Blaenau Gwent County Borough Council.

2. Background

On the back of successful work completed with nearby authorities Abavus Limited were invited into Caerphilly to present their My Council Services Enterprise capability. After delivering three onsite presentations to staff and elected members plus attendance at the recent CBC digital day Abavus have put together this short proposal for consideration.

3. Assumptions

This proposal has been compiled with the following assumptions;

- This pricing proposal is only available on the understanding that Caerphilly sign up to the entire deal on offer and for the full duration of the contract subject to G Cloud 10 terms and conditions.
- The modules purchased and prices shown cannot be modified or reduced in any way.
- The contract is based upon the current G Cloud standard 2 + 1 + 1 year term.
- Modules included as part of this offer are those currently available on G Cloud 10 see below (service ID's shown). They do not however include the Chat Bot functionality (service ID number 117997227033771). Chat Bot will not be production ready until the 2nd quarter of 2019 at the earliest and when available will be offered to Caerphilly at a discounted rate to be confirmed.
- A site licence and access to the system is only available to council employees or employees contracted directly by the council. Should a third party organisation require access and licences for the system this can only be provided with the prior written consent of the Operations Director of Abavus Ltd.
- This fixed priced proposal does not include as part of the price afforded any consultancy, training and other technical services, however G Cloud 10 service ID numbers are shown where these services can be procured separately by the authority.
- Ongoing helpdesk support and hosting is provided as part of this subscription.
- Licence includes the waste management plug-in 'know my bin day', which also enables access and usage of our waste capability. However this does not include development, consultancy and configuration to have a full waste solution. Development, consultancy and configuration to complete a full waste solution would be charged separately based upon agreed requirements (see prices for integration and consultancy).
- Mobile working prices do not include enhanced route navigation and route optimisation capability. Should Caerphilly seek this capability as part of their mobile working functionality, costs are shown currently at an additional £20 per month per device. Standard route navigation is provided as part of existing mobile working capability available.
- Management of the Abavus (My Council Services) web services is provided as part of the subscription.

- On boarding, consulting and training costs can be drawn down via G Cloud 10 and paid for when separately purchased. N.B. costs for these services can be separately agreed in advance.
- Beyond statutory publication on G Cloud all terms and conditions as part of this offer must remain confidential amongst the parties shown.

4. Costs

4.1 Required Functionality

My Council Services Product	G Cloud 9 Service ID Number	Number of Concurrent/Named Licences	Cost/individual authority costs
<p>Site Licence Medium Authority</p> <p>Apps and E Forms multi language, web and mobile and including customer portal</p> <p>Contact Centre CRM which includes email centre, knowledge centre and tasks</p> <p>Service Desk</p> <p>Case Management</p> <p>Mobile Working - This would include sufficient provision to use express worker Mobile Worker and Mobile Manager functionality</p> <p>Contracts and Licence Management</p> <p>Master Data Management LLPG</p> <p>Master Data Management Asset</p> <p>Master Data Management People</p> <p>Master Data Management Product</p> <p>Bookings and appointments scheduling plug in responsive web only.</p> <p>Risk Management Plug in</p> <p>Waste Management Plug In (know my bin day)</p>	697827840937190	Site licence	150,000.00
Non production environment	678812958156732	Site licence	2500.00
Web Map Service Plug in	555439575974248	Site licence	595.00
Web Services Standard	911666439799347	Site licence	4995.00

Total Cost 158,090.00

Less discount of £85,590.00 72,500.00

The above is subject to 20% VAT.

4.2 Optional Functionality, Integrations.

Without specific knowledge of the systems that Caerphilly wishes to integrate into it is difficult to provide an exact cost of overall integration expense. However, as a guide and based upon Abavus completing 95% of the integration work with the remaining 5% being supported via Caerphilly's IT team, approximate costs would be in the region of those shown below. However, we would suggest a scoping meeting to establish the integrations necessary and an exact cost for their delivery.

My Council Services Product	G Cloud 10 Service ID Number	Approximate Cost	
Simple Integration.	180882987138877	£10,000.00	See G Cloud 10 prices
Intermediate Integration	180882987138877	£25,000.00	See G Cloud 10 prices
Complex Integration	180882987138877	£50,000.00	See G Cloud 10 prices

4.3 Optional Functionality, Payment.

Abavus can integrate into all payment providers used by local authorities in the UK. Examples include Civica, Capita, Barclays and Worldpay. Costs shown below are for both web only integrations and web and native mobile integrations. Abavus would suggest in the first instance a web only integration is completed.

My Council Services Product	G Cloud 10 Service ID Number	Cost	
Abavus online payment integration, (web only).	953402096060859	£8,000.00	See G Cloud 10 prices
Abavus online payment integration, web, native mobile including ios and android.	953402096060859	£15,000.00	See G Cloud 10 prices

4.4 Optional Services, Consulting, Training and Project Management.

Abavus would seek to agree a discounted daily rate for training and consulting services.

My Council Services Product	G Cloud 10 Service ID Number	Cost	SRS Cost
Training	749895413399188	£1,295.00 per day	See G Cloud 10 prices
Consulting (including process mapping, development, configuration and project management.	749895413399188	From £250 (offsite only) per day up to £1500 per day (onsite)	See G Cloud 10 prices