

## REPORT TO CABINET

28 August 2019

<b>Subject:</b>	<b>Award of Contract for Sandwell digital platform and Self-Serve Customer Portal</b>
<b>Presenting Cabinet Member:</b>	<b>Councillor Wasim Ali - Cabinet Member for Resources and Core Services</b>
<b>Director:</b>	<b>Executive Director – Resources – Darren Carter</b>
<b>Contribution towards Vision 2030:</b>	 
<b>Key Decision:</b>	Yes
<b>Cabinet Member Approval and Date:</b>	Yes
<b>Director Approval:</b>	Yes
<b>Reason for Urgency:</b>	Urgency provisions do not apply
<b>Exempt Information Ref:</b>	Exemption provisions do not apply
<b>Ward Councillor (s) Consulted (if applicable):</b>	Ward councillors are not affected
<b>Scrutiny Consultation Considered?</b>	Scrutiny has not been consulted
<b>Contact Officer(s):</b>	Sue Knowles (Head of ICT and Revenue & Benefits) Nicola Biddle (ICT – Digital Transformation)

## **DECISION RECOMMENDATIONS**

### **That Cabinet:**

1. Approve an exemption to the council's Procurement and Contract Procedure Rules to make a direct award to Firmstep Ltd for the provision of a digital platform which includes a Customer Self-Serve Portal, for a contract period of two years commencing 14 September 2019 with an option to extend for a further two years subject to satisfactory review, for a maximum value of £620,738 over the initial two-year period and £1,241,475 over four years if a two-year extension is applied.
2. Authorise the Director – Law and Governance and Monitoring Officer to execute any documents necessary to give effect to the recommendations set out in 1 above.
3. Authorise the Head of ICT and Revenue and Benefits to sign any contract documentation in relation to the renewal of the Contract for Sandwell Self-Serve customer portal for the subsequent contract award set out above.

## **1 PURPOSE OF THE REPORT**

- 1.1 Exemption being sought
- 1.2 This report seeks approval for an exemption in accordance with the council's Procurement and Contract Procedure Rules to make a direct award to Firmstep Ltd for the provision of a digital platform which includes a Customer Self-Serve Portal.
- 1.3 Crown Commercial Services G-Cloud 11 framework has been used for this procurement.
- 1.4 The total value of the contract will not exceed £620,738 over the initial two-year period and £1,241,475 over four years if a two-year extension is applied.
- 1.5 The initial period of the contract is two-years commencing 14 September 2019 with an option to extend by a further two years subject to a satisfactory review.
- 1.6 The breakdown of the four-year contract value is as follows;

- Licenses to use the platform as it is currently developed for the four-year period - **£672,200**
- Forecast of potential expansion of digital services over the four-year period to realise the full value of the Firmstep product suite and allow for new platform functionality to deliver against the Digital Strategy - **£569,275**

## 2 **IMPLICATION FOR THE VISION 2030**

- 2.1 The award of this contract will enable our partners and communities to continue to have greater access to a wider range of easy to use, much more efficient services, provided and accessed in a way that is relevant and effective for their needs.
- 2.2 By supporting our communities to learn how to access existing and new services online they will enjoy more skills, motivation and trust in technology with value spreading beyond the practicalities and into wider issues such as social exclusion, loneliness and isolation.
- 2.3 Firmstep data is enabling us to build up our understanding of how and why people access services and make improvements that focus both on self-service opportunities and development of assisted digital services for those who need support, which is key to supporting strategic programmes such as Transforming Local Services.
- 2.4 This contract will enable our workforce to take advantage of emerging digital capabilities which present opportunities to deliver services in different, innovative ways. Digital transformation, including self-service will enable us to transform and modernise how and where we work.
- 2.5 Sandwell's workforce relies on effective ICT to deliver services. This reliance has increased considerably in recent years as the council moves to digital and online services.
- 2.6 Regular investment in the council's ICT and digital infrastructure contributes to all ten ambitions, however it directly links to ambition 3 in ensuring our workforce is geared up to respond to changing business needs and ambition 10 – National reputation for getting things done.

## 3 **BACKGROUND AND MAIN CONSIDERATIONS**

- 3.1 In February 2015, Cabinet approved Capital funding of £1.1m for the delivery of a customer self-service portal. Firmstep Ltd were appointed as supplier. Sandwell originally entered a two-year G-Cloud contract with Firmstep Ltd and since this date, a team has been supporting services to develop quality digital and online processes and develop Sandwell's self-service platform branded as MySandwell.

- 3.2 The continued use of the Firmstep platform was approved in August 2017 and relevant annual licenses to continue use were procured. As Firmstep are sole suppliers of the required licenses they were procured using the G-Cloud framework and a direct award was made.
- 3.3 The current two-year contract for Firmstep digital platform which includes the customer self-service solution (Self), the assisted customer service solution (Service) and the e-form solution (Forms) expires on 13 September 2019.
- 3.4 The four-year contract value of up to a maximum of £1,241,475, includes the current annual license costs as well as our forecast costs to implement current and emerging suite of Firmstep products that Sandwell may require over the next four years to deliver against our Digital Strategy.
- 3.5 Over the last four years the council has invested significant resources and funding into developing Sandwell's platform with Firmstep, developing a personalised account-based experience for customers.
- 3.6 We now offer access to over 60 online processes and provide employees with a number of easy to use automated processes.
- 3.7 The Firmstep platform (Service) replaced the costly CRM system Siebel and is now the core customer management system used within the Neighbourhoods contact centre.
- 3.8 The brand MySandwell is well recognised amongst residents and visitors, over the last four years we have built up a vast resident and non-resident user base with over 100,000 customer self-service accounts created to date.
- 3.9 Firmstep are the sole suppliers of licenses for the current digital platform. A move to a different supplier would require a new platform and significant new investment and time to implement and transition thousands of users (residents) to a new solution. In addition, a new customer relationship management system for contact centre use and a new corporate complaints/customer feedback system would be required.
- 3.10 The investment, development time and all customer self-service accounts would not be transferable to a new platform. Continuing to build on our investment and success with Firmstep will allow us to realise the full benefits of customer self-service longer term.

- 3.11 A Firmstep Customer success review has been undertaken to inform our recommendation. Over 1/3 of UK councils use Firmstep and the review confirms Sandwell as having one of the highest account take up rates, highest customer satisfaction and highest online enquiry submission rates. In addition, our digital transformation team has become highly skilled in digital process design and are recognised as a best practice reference site for other local authorities using Firmstep.
- 3.12 On 9 January 2019 Cabinet approved the council's Digital Strategy 2018-2021. The wider remit of the team now focusses on developing and delivering the three key areas of the strategy:
- Access to services
  - Digital Workforce
  - Digital inclusion
- 3.13 MySandwell is recognised as a support tool to increase Digital Inclusion in Sandwell with the Voluntary and Community Sector fully engaged in supporting residents to use MySandwell as a mechanism to increase digital skills and confidence.
- 3.14 The Digital Transformation Team are supporting the Member Development Programme and have appraised a number of technology options against the requirements of a fit for purpose digital solution that covers the following key priority areas for Councillors:
- Casework
  - Information
  - Updates

Firmstep Councillor Portal has been chosen as the solution as it provides the functionality to meet these requirements and it is an in-house developed system allowing for the design and content to be co-developed with councillors.

- 3.15 To deliver against the Digital Strategy and to continue to take advantage of emerging digital capabilities we need to build on our existing investment to continue to modernise how we work and deliver our services.

## **4 THE CURRENT POSITION**

- 4.1 The Firmstep platform has been hugely successful in Sandwell. To date, the platform has been developed to deliver against the following transformation outcomes:
- offer an online customer portal which complements the council website and provides access to key services

- enable creation of customer accounts where they can report problems, request services, view their accounts and complete applications
- automatically interface with key back office systems
- provide a single sign on to customers to do their business with the council
- provide status updates of enquiries and transactions at a time that is convenient to the customer
- offer customers a response by email or text when their enquiry has an update or has been completed

Key successes of the programme to date:

- Since launch in March 2016, over 100,000 customers have registered for a MySandwell account
- Customer satisfaction rate is 90%
- The council is achieving a 52.6% channel shift rate for services available online
- £18 Million of council payments (35%) (excluding direct debit) are done online
- Over 898,660 online enquiries have been submitted across a number of services using the Firmstep (MySandwell) platform since launch.

- 4.2 Current platform development includes delivering a digital solution to support casework and provide a dashboard to Members as part of the Member Development Programme as well as launching a new digital platform “Healthy Sandwell” which enables GP’s and other partners to refer residents to providers of health and wellbeing services.
- 4.3 Taking advantage of new functionality such as the platforms Shared Digital Workspace allows any other partner or professional involved in a process to be securely assigned a task or enquiry to view and action off the Council’s network, offering us opportunity to explore ways of digital partnership working which supports delivery against outcomes within the approved Digital Strategy 2018-2021.
- 4.4 The Firmstep platform is provided as a fully scalable ‘Software as a Service’ (SaaS) solution comprising of a range of modules which can be selected as required.

- 4.5 Development of a new Customer Access Strategy is underway and the scalable Firmstep platform will not only continue to drive a move towards online services but also support the traditional access channels managing a central customer index providing staff with a single view of the customer across all contact channels.
- 4.6 Continued use of this scalable flexible model will offer the opportunity to explore digital opportunities as they emerge and expand our online offering.
- 4.7 In addition to the current modules already in use, the Firmstep platform has a range of additional value modules that as the customer access strategy emerges can be enabled to provide further features and benefits to the platform investment.

## **5 CONSULTATION (CUSTOMERS AND OTHER STAKEHOLDERS)**

- 5.1 Specific customer consultation on this report has not been undertaken, however the Digital Transformation team have the mechanisms in place to continually seek and act upon customer and stakeholder feedback which has enabled the achievement of the huge successes detailed in section 4 of this report.

## **6 ALTERNATIVE OPTIONS**

- 6.1 The lack of approval would not allow the Digital Transformation team to continue development of the MySandwell platform and the customer and contact centre platform would be unlicensed for use from September 2019.
- 6.2 This scenario would present several risks to the organisation;
  - Switching off the platform would result in customer enquiries presenting at the council's contact centres or face to face locations resulting in increased demand on resources
  - Firmstep is the core customer system used by the Neighbourhoods contact centre to log customer enquiries. An alternative system would need to be procured.
  - Over 100,000 residents would be unable to access their history of contact with the council and view their current enquiries.
  - The Council would be unable to achieve a number of the key outcomes required in the Cabinet approved Digital Strategy 2018-2021

- 6.3 Seeking a new supplier of an alternative digital platform would require all new infrastructure, design and development of processes and engagement of residents to create new accounts. Our experience developing Firmstep indicates that it would be at least 24 months from contract signing to be at the same position as we are now.

## 7 STRATEGIC RESOURCE IMPLICATIONS

- 7.1 Financial Year 2018/19 began with £484,000 of the original capital budget remaining. In year spend of £102,000 leaves a £382,000 capital budget rolled over to 2019/20 to support continued development.
- 7.2 The value of this contract will not exceed £620,738 over the initial two-year period and £1,241,475 over four years if a two-year extension is applied. This is made up of Licenses to use the platform as it is currently developed for the four-year period - **£672,200** and further call off up to the value of **£569,275** to allow us to continue development. This flexibility is to allow for additional development of the platform as services identify their digital transformation opportunities.
- 7.3 The ongoing platform costs (£672,200) will be funded from existing service budgets.
- 7.4 The remaining Capital funds originally allocated to platform development will continue to be utilised to develop the platform further funding one-off development costs including integrations with other Firmstep products, back office systems, ICT hardware and other associated implementation costs.
- 7.5 As new digital transformation opportunities are identified, new developments will be subject to approval by the Digital Transformation Board chaired by the Executive Director, Resources. The Board will ensure alignment with the Digital Strategy and ensure existing service area budgets meet any new ongoing costs, such as annual licenses, up to the value of £568,275 over the 4-year period.
- 7.6 As the in-house resources within the Digital Transformation team have built up significant knowledge of the Firmstep platform this will reduce unnecessary dependency on costly external consultants.

## **8 LEGAL AND GOVERNANCE CONSIDERATIONS**

8.1 Procurement Services were consulted and have advised that this direct award falls under the provisions of Regulation 32(b)(ii) of the Public Contracts Regulations 2015, which allows for direct negotiation with a supplier to be carried out without further competition on the grounds of technical reasons. Section 6 of this report highlights the technical difficulties that would be encountered by re-procuring through an open competitive tendering process or further competition exercise through G-Cloud.

## **9 EQUALITY IMPACT ASSESSMENT**

9.1 A new equality impact assessment has not been undertaken however the equalities unit have been consulted in the process of writing this report and the original Equality Impact Assessment undertaken when we entered into the original Firmstep contract identified:

- The procurement of a customer portal and the impending provision of a user friendly additional access channel that is available to all community groups is advantageous to all.
- The other access channels, namely telephony and face to face will continue to be provided. Enabling customers to self-serve will release capacity allowing customer advisors to concentrate on the more complicated enquiries resulting in better customer service. This supports the council's commitment towards making efficiency savings

## **10 DATA PROTECTION IMPACT ASSESSMENT**

10.1 The key changes introduced by GDPR have been reviewed for the Firmstep platform and all the requirements are met with new and existing features that Firmstep have released.

10.2 The Digital Transformation team have performed their own analysis of the requirements and taken all necessary steps to ensure compliance.

10.3 Functionality with the Firmstep platform called the Compliance Console is there to assist in complying with the GDPR. The Console allows the team to select various configuration options which can be used to:

- Configure and present blanket consent messages to users before they can complete a form
- Identify the data names of fields in processes which contain personal data

- Set timeframes on the retention of data

## 11 **CRIME AND DISORDER AND RISK ASSESSMENT**

11.1 No crime and disorder issues have been identified.

## 12 **SUSTAINABILITY OF PROPOSALS.**

12.1 There are no sustainability implications arising from this contract.

## 13 **HEALTH AND WELLBEING IMPLICATIONS (INCLUDING SOCIAL VALUE)**

13.1 Consultation with the community, has been a crucial stage in the development of the Digital Strategy 2018-2021. It allowed us to recognise and appreciate the important role that we have as a Council in addressing social isolation and social exclusion as this can be compounded when implementing digital services. We have ensured that the Digital strategy therefore supports social integration.

13.2 Sandwell has the ability to develop the platform to support community health and wellbeing. Due to be launched in 2019, “Healthy Sandwell” is a new digital service, delivered via the Firmstep platform which enables GP’s and other partners to refer residents to providers of health and wellbeing services.

13.3 Further expansion to this concept is being explored to consider the Firmstep platform as the technical solution to “social prescribing” which focuses on offering the ability of front line services as well as health care practitioners to make referrals for both health and social activity to support health and wellbeing.

## 14 **IMPACT ON ANY COUNCIL MANAGED PROPERTY OR LAND**

14.1 There is no impact on any council managed property or land from this contract.

## 15 **CONCLUSIONS AND SUMMARY OF REASONS FOR THE RECOMMENDATIONS**

15.1 Considering the success of the investment in the Firmstep platform (customer take up and customer satisfaction) it is recommended to approve the direct award for the provision of a digital platform to **Firmstep Ltd.**

15.2 Supporting our Digital Strategy, the award of this contract will enable our workforce to take advantage of emerging digital capabilities which present opportunities to deliver services in different, innovative ways. Digital transformation, including self-service will enable us to transform and modernise how and where we work.

## 16 **BACKGROUND PAPERS**

16.1 None

## 17 **APPENDICES:**

None

**Darren Carter**  
**Executive Director – Resources**