

LONDON BOROUGH OF HAMMERSMITH & FULHAM

Report to: Councillor Rowan Ree, Cabinet Member for Finance and Reform

Date: 15/03/2023

Subject: Netcall contract March 2023

Report author: Ramanand Ladva, Digital Services Programme Manager

Responsible Director: David Tatlow, Director of Resources

SUMMARY

The supplier contract for the Council's main contact centre platform, Netcall, is ending on 1st March 2023. Netcall provides the Council with an essential resident facing engagement platform and is currently procured via British Telecom (BT) using the Royal Borough of Kensington & Chelsea (RBKC) framework agreement relating to Information Technology and Communication Services. A decision is required to make a new contract award to maintain access to the technology, associated product licenses, services, and support.

This report outlines the background, Council options and associated financial implications to make an informed decision and is seeking approval for the recommended option.

The proposal contained in this report is supported by the Chief digital officer.

RECOMMENDATIONS

It is recommended that the Cabinet Member:

1. Notes that Appendix 1 in this report is exempt from disclosure on the grounds that it contains information relating to the financial or business affairs of a particular person (including the authority holding that information) under Paragraph 3 of Schedule 12A of the Local Government Act 1972.
 2. Approves the use of the direct award procedure using the NHS Commercial Solutions framework relating to Patient Healthcare Communications and Related IT Services as the means of procuring contact centre technologies, licenses, services, and support from 1st March 2023 to 27th February 2026.
 3. Approves the direct award for the purchase of the above contact centre technologies, licenses, services, and support from 1st March 2023 to 27th February 2026, from Netcall Technology LTD using the above framework.
 4. Approves the total funds required, over 3 years, for the purchase of Netcall technologies, licenses, services, and support as set out in exempt Appendix 1, to be funded from the existing Digital Services operational budget.
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Wards Affected: None

Our Values	Summary of how this report aligns to the H&F Values
Being ruthlessly financially efficient	Digital Services have negotiated better pricing for new license and support services and reduced annual costs where possible

Financial Impact

Expenditure for the operational costs of all Netcall services are contained within the corporate Digital Services' operational budget. Cost implications are outlined in Exempt Appendix 1.

Legal Implications

The Council has the power to purchase these services as they are incidental and conducive to a range of its functions including statutory functions.

The contract will be a "public services contract" for the purposes of the Public Contracts Regulations 2015 (PCR). The NHS Commercial Solutions Framework was advertised in accordance with the PCR and the Council is entitled to call-off under it.

The framework allows for direct awards and the requirements of the PCR are therefore being met. There is only one supplier listed on the framework which is capable of meeting the Council's requirements.

The process for direct awards can only be followed by adopting the terms and conditions of the framework agreement. These do not contain provisions for social value to be a requirement on the supplier.

This is a high-value contract for the purposes of the Council's Contract Standing Orders. The use of a suitable third-party framework in accordance with its terms is a permitted means of procurement under CSO 18. The proposed method of procurement and award will therefore be compliant with the Contract Standing Orders.

The award of this contract is a key decision for the purposes of the Council's Constitution and will need to be included in the key decision list on the Council's website.

John Sharland, Senior solicitor (Contracts and procurement)
Dated 1 March 2023

Background Papers Used in Preparing This Report - None

BACKGROUND

1. H&F engages with its residents using contact centres for several key service areas like Resident Services, Social Care, Children's support, Housing services and many more. Since before 2015, most of these contact centres have been using Netcall to deliver an organised service.
2. The platform provides vast functionality covering but not limited to:
 - voice channels and caller queuing
 - call options (press 1 for Council Tax, 2 for Housing etc),
 - call routing to agents and secure payments
 - flexible device access via laptops, mobiles, and desk phones
 - agent call handling (pick up call, on-hold, transfer etc.),
 - agent availability controls (online, call wrap up, on-break etc),
 - emergency or seasonal messaging,
 - email management and texting services,
 - webchat options (new),
 - supervisor dashboards, service level agreement monitoring
3. Netcall is thoroughly embedded in the way our contact centres operate on a day-to-day basis and the Council has expanded its usage over the past 3 years because of the pandemic. There was a considerable culture shift for contact centres during this period where many teams went from working predominantly in office to working fully remotely. The Netcall platform has been vital in aiding contact centres to operate remotely.
4. The Council has also used the flexibility of the platform to quickly introduce new services in a short time to support residents during particularly difficult and uncertain times. Recent notable examples include a sizeable Covid support group and Cost of Living crisis helpline being set up. Netcall has been very reliable, expandable, functional, and tailorable for the Council.
5. Furthermore, the Resident Services team have been improving contact centre engagement and online presence as part of the Resident Engagement and Access Programme (REAP). Netcall is a core technology for this workstream as it aims to enhance call and workflows and online presence by deploying webchat and new webforms to take the Council's engagement to the next level.

DETAILED ANALYSIS

Proposals and Analysis of Options

6. It is recommended that the Council makes an award to Netcall Technology LTD to maintain platform services and support. The benefits include retaining access to an excellent and market leading engagement platform and avoiding additional contract fees by partnering with the product manufacturer directly.

7. The Council will also benefit from fixed pricing for 3 years. Maintenance and system operation costs have increased over the past 12 months and agreeing to a fixed term contract will avoid additional charges and delivers the best value for money over the period.
8. Additionally, there may be an opportunity to further reduce overall operating costs, over the next 3 years, by assessing configurations during a time of planned and co-ordinated change. Digital Services recommend optimising platform configurations, reducing agent licensing and other consumable costs where possible as part of wider REAP programme improvements.
9. Alternative contact centre platforms are available on the market and have been considered in the past however, migration to a new technology is not recommended given the excessive disruption to Council services and residents, limited value added and benefits to be gained and significant deployment and resource costs involved.
10. Delaying this decision is also not recommended as the Council will be out of contract and would need to accept the risk of running unsupported and unlicensed technology which could lead to higher costs, legal penalties, and poor performance related implications.
11. If the Council does not commit to a decision, then access to the platform and all associated features will eventually be lost. This will lead to substantial disruption and reputational damage as residents will not be able to contact any service by phone, webchat, or email.

Reasons for Decision

12. The Council's current contact centre platform contract is expiring, and a new award contract is needed for the same supplier to provide the required technologies and support services.
13. The level of expenditure involved in the new contract requires Cabinet member level approval.
14. The Council will be benefitting from business continuity and avoids major disruption and the need to commission yet another complex and costly programme of migration work.

Equality Implications

15. It is not anticipated that the approval of these proposals, as set out in the recommendations, will have any direct negative impact on any protected groups, under the Equality Act 2010.

Risk Management Implications

16. The report recommends calling off a contract from a competitively procured framework, which is in line with the objective of being ruthlessly financially efficient. The contract is required to provide continuity of support for an essential resident facing engagement platform.

David Hughes, Director of Audit, Fraud, Risk and Insurance, 1 March 2023

Climate and Ecological Emergency Implications

17. Netcall Technology LTD have a net zero plan validated by the science-based targets initiative, including measuring and reducing its scope 3 emissions. They are committed to supporting environmental initiatives to offset technology and hardware production and the service running impact within the area the company is located. Based on the size of the organisation the offset equates to circa £600 per annum and their environmental sustainability report for 2022 can be found [here](#).

Implications verified by: Jim Cunningham, Climate Policy & Strategy Lead, 7th March 2023

Digital Services & Information Management implications

18. Digital Services supports the recommendations highlighted in this report to direct award for the purchase of contact centre technologies, licenses, services, and support from 1st March 2023 to 27th February 2026, from Netcall Technology LTD using the NHS Commercial Solutions framework relating to Patient Healthcare Communications and Related IT Services.
19. IM implications: if not already in place, a Data Privacy Impact Assessment (DPIA) should be carried out to ensure that all the potential data protection risks around the contact centre technologies, licenses, services, and support are properly assessed with mitigating actions agreed and implemented.
20. In addition, if not already in place, a (Cloud) Supplier Security Questionnaire(s) should be completed, to ensure that all the potential data protection and information security risks around the contact centre technologies, licenses, services, and support are properly assessed with mitigating actions agreed and implemented.
21. Any contracts arising from this report will need to include H&F's data protection and processing schedule. This is compliant with UK Data Protection law.
22. Netcall Technology LTD will be expected to have a Data Protection policy in place and all staff will be expected to have received Data Protection training.

Implications verified/completed by: Pierre Rogier, Strategic Relationship Manager, Digital services, tel 07391 734087

Local Economy and Social Value Implications

23. It is a requirement that all contracts awarded by the council with a value above £100,000 provide social value commitments that are additional to the core services required under the contract. These commitments must amount to at least 10% in value of the price of the contract proposed.
24. Social value contributions have not been asked for in this award. The Legal implications above state that Social Value Policy is not provided for in this framework agreement.

Implications verified/completed by: Paul Clarke, Social Value Officer, Economic Development Team, 7 March 2023

LIST OF APPENDICES

Exempt - Appendix 1 - Financial implications