NORWICH City Council

Committee Name: Cabinet
Committee Date: 06/04/2022
Report Title: The award of contract for Contact Manager, Workflow and Document Management System

Portfolio: Councillor Kendrick, cabinet member for resources

Report from: Head of customers, IT and digital

Wards: All Wards
OPEN PUBLIC ITEM

Purpose

To consider awarding a contract for Contact Manager, Workflow, Document Management System and Master Data Management solution

Recommendation:

To enter into a contract with Civica (UK) Limited for a Contact Manager, Workflow, Document Management System and Master Data Management solution.

Policy Framework

This report meets the following corporate objectives and aims.

Policy Framework
The Council has five corporate priorities, which are:

- People live independently and well in a diverse and safe city.
- Norwich is a sustainable and healthy city.
- Norwich has the infrastructure and housing it needs to be a successful city.
- The city has an inclusive economy in which residents have equal opportunity to flourish.
- Norwich City Council is in good shape to serve the city.

Having an effective and linked up CRM supports the priority to ensure Norwich City Council is in good shape to serve the city

Report Details

1. A customer relationship management system (CRM) is a piece of software used across the council to manage interactions with customers and store information about them. The system contains a document management (DMS) and holds copies of correspondence and documents from customers and third parties. It

has integration with other systems such as housing and revenues.

2. This system is important to us because it provides a "single view" of our customers and their contact details across services and provides the platform to communicate with them. This provides Council staff with a wider range of information about customers, ensuring queries can be handled effectively.

    - Reduces duplication of data entry across multiple systems, reducing the potential for inconsistency or error and providing efficiencies;
    - Provides officers of a wider view of a resident's different contact with the Council, enabling the council to support them more effectively first time, with reduced handover between departments – thus improving the resident experience
    - Enables better decisions to be made in relation to residents by having a more comprehensive picture of their needs
    - Improves the effective sharing of data between the Council and other organisations (where it is lawful to do so), again helping to improve outcomes for residents
    - Supports the Council to target support and services to those residents who need them the most

3. It also provides the workforce with information and guidance to ensure the correct handling of customer enquiries.

4. An exercise has been undertaken to evaluate potential solutions for this functionality for the council, drawing on external specialist support. This comprised a review of our existing systems and potential alternatives.

5. Following the completion of the evaluation it is recommended that we continue to use the existing Civica system, upgrading to an improved version with significant enhancements for customers and the workforce.

6. The current system has been at the 'W2' level since 2003 and the existing five-year agreement for support of the system will expire in April 2022. In order to remain on a supported version of the software, we need to migrate to the later version, 'W3'.

7. The new agreement will allow us to continue to use their software, minimising disruption across multiple teams within the council, and also provide a platform for the implementation of the Master Data Management solution, MultiVue. There is also a growing need to better manage our data in order to:

    - Improve online services available to customers
    - reduce the potential for fraud and error
    - provide evidenced based policy and modelling to make more effective decisions about individual residents, as well as targeting support and services to those who need it the most
    - provide operational efficiency
    - transform business intelligence and data analytics capability

- Enabling more effective sharing of data with partner organisations (where it is lawful and appropriate to do so), improving how we communicate with other organisations to support effective decision making and targeting of services.

8. This system and the additional functionality is a key corporate IT and digital system as it manages our data, service requests and workflow. Implementing the upgrade will create the platform to deliver our customer experience and digital strategy which aims to deliver more streamlined and efficient services across the organisation and increase take up of our online services.

9. Data and customer information is core; and the master data management system will enable us to harness information to realise our ambition to provide customers with one front door to their information and services, reducing the need for multiple interactions and improving their overall experience.

10. This new agreement will support all three key themes of the Customer Experience and Digital Strategy – smarter services; digital workforce; data sharing and upgrade the entire system to the latest version of the Civica software, 'W3', which includes:

- improved access and performance of the system for anybody not using a 'hard-wired' connection to the council's network (i.e. all those working from home); this is essential to support the new Hybrid Working policy.
- significant improvements to managing workloads through work dashboards.
- a portal that will enable customers to access their services online, for example complaints, comments, and compliments.

11. The enhancements the new system will bring to our online services is key to meeting the needs of our customers. Covid has quickened the pace of change, the trend is showing that 45% of customers are accessing our services online, compared to 39% last year with phone and face to face contact reducing. Research indicates that in the east of England, 84% of our customers have "essential digital skills for life" (UK average is 78%). We need to keep up with customer expectations of how they expect services to be provided, increasing those available as well as improving ease of access to them, will ensure the direction of travel to online continues.

12. As part of the upgrade, there will be a planned implementation of MultiVue (Civica's Master Data Management software) during 2022. This will provide the platform to automatically link customer data between systems, from which a single view of customer data can be made available for council staff and our customers accessing individual information and services online (self-serve). The additional functionality will be able to use and manage this data across other assets and resources within the council.

13. The system continues to be used throughout the council to support interactions with customers, manage the workflow of processes and provide an electronic document management solution.

14. A new agreement is required to enable the continued use of the software and interfaces with other core systems and processes.

15. The upgrade to W3 will provide a number of significant enhancements for staff, including:

- Advanced functionality (Application Programming Interfaces/APIs) to allow direct and dynamic integration between the Civica system and our other business applications (e.g. NEC Housing). This will result in consistent and accurate data across systems, improving both operational delivery and data analysis opportunities
- Access via a browser (Edge) instead of client software – simplifying both the user access experience and the software complexity on laptops
- More sophisticated search functions – use of enterprise/elastic search functionality to increase 'right-first-time' success
- Improved access and performance of the system for anybody not using a 'hard-wired' connection to the council's network (i.e. all those working from home) which is essential to support the new Hybrid Working policy.

16. Our strategy is to utilise cloud-based solutions where appropriate, at the point of contract review.

17. The upgrade will form part of a complete move away from an 'on-premise' installation. Instead, Civica will host the software externally, on their own site, resulting in this becoming a complete 'Software as a Service" (SaaS) solution.

18. This will also ensure the systems will always be on supported infrastructure, operating systems software, database software and application versions; all part of our continued commitment for compliance with security standards (PSN) and strengthening our ability to resist cyber-attacks.

19. A move to SaaS has the potential to provide other significant benefits for the council:

- Improving our business continuity capability with a fully resilient service provided by Civica's UK-based data centres, with 'fail-over' capability
- Civica's service is fully certified to government security standards (ISO 9001, ISO 20000 and ISO 27001)
- 24 x 7 real-time monitoring and proactive management of the council's Civica environment.
- Access to the latest updates, fixes and improvements at the earliest opportunity, with all timings to be agreed with Civica to avoid unplanned changes
- Reducing the volume and complexity of our in-house server estate, supporting the future aim for all our IT services to be available without reliance on the city hall 'on-premise' servers

20. The upgrade to 'W3', implementation of MultiVue and migration from on-promise to SaaS will be phased, with activities taking place during 2022 with minimal impact on the availability of the system to staff.

21. An IT technical project manager will be appointed to work alongside our own team, key service areas and Civica to direct the overall plan including resources, risks, mitigation actions, escalations, highlight reporting and associated activity.

22. Estimated timeline for milestones:
    - Create cloud environment for W3 and MDM – June 2022
    - MDM - built and first dataset of Civica customer contact data – August 2022
    - Migration of W2 (on-premise) to W3 (SaaS) – by December 2022
    - W3 – additional datasets (housing, revenues & benefits) - 2023

23. It is planned to enter into a new 5-year agreement with Civica.

24. An analysis has been undertaken to explore the most suitable approach to entering into a new contract. It is intended the council will use the Crown Commercial Services framework, RM3821 (Data and Applications Solutions). We are able to use this framework to make a direct award to Civica, having used the same method for other software contracts. This will ensure the council adheres to Procurement Contract Regulations.

Consultation

25. This is key deliverable of the customer experience and digital strategy for which a range of customer insight and data was used, as well as formal consultation on the strategy itself.

Implications

Financial and Resources

26. Any decision to reduce or increase resources or alternatively increase income must be made within the context of the council's stated priorities, as set out in its Corporate Plan and Budget.

27. The original proposal from Civica in 2021 included an option for an 'on-premise' service, allowing us to host the software on internally maintained servers, supported by internal IT teams. Since then, they have made a strategic decision to only offer their W3 and MDM services as 'SaaS', with no 'on-premise' option.

28. A move to SaaS typically involves a decrease in capital spend, but an increase in revenue costs. The supplier will be spending capital to maintain the hardware, security and connections etc. but financed by payments from our revenue budget. Our capital investment, aside from the initial costs of actually migrating to the Civica cloud service, will reduce as we will no longer have to maintain, service, upgrade, or replace the 'on-premise' hardware currently hosting the system.

29. Estimated capital implementation costs of £296,350 were included within the 2022/23 capital programme approved by the Council in February 2022. The current implementation costs (for SaaS) are estimated at £289,745; within the currently approved budget envelope.

30. The current revenue costs for the Digital360 and W2 products is £160,000. An additional annual revenue cost of £39,960 is attributable to the new W3 and MDM products on a SaaS basis.

31. The 2022/23 cost can be met from within the implementation resources, meaning that there will not be an additional budget pressure on this year's revenue budget.

32. However, these additional revenue costs were not known at the time that the 2022/23 budget was set and as a result there will be an additional on-going pressure of £39,960 per annum from 2023/24 onwards which will increase the Council's overall budget gap.

33. Efficiencies from the implementation of the customer and digital strategy are already included in the current MTFS and amount to £378,000 of which 2022/23 has been delivered with the remaining £272,000 being an indicative stretch target over the period 2022 – 2025 and the additional £39,960 per annum will be on top of those proposed savings.

34. The additional ongoing costs (£39,960 per year) can be addressed by taking advantage of the efficiency opportunities that will be made available and exploiting the benefits of more diverse and improved online services. Stretch target savings could be realised across multiple front and back-office teams, including, but not limited to IT services, customer contact, housing, revenues and benefits.

The financial position is summarised in the tables below:

£000	2022/23	2023/24	2024/25	Totals
Capital Costs				
Estimated implementation costs[1]	290			290
Revenue Costs				
Revenue (One-off)	160	416	99	715
Funding – Invest to save reserve (One-off)	(160)	(416)	(99)	(715)
Additional SaaS subscription (on-going)	40			40
Funding – Invest to save reserve (One-off)	(40)			
Additional savings - stretch target (on-going)		(40)		(40)
Savings reflected in MTFS (£378k on-going by year 3 – year two and three stretch targets)	(106)	(112)	(160)	(378)

Note 1 – Capital costs included in 2022 Capital Programme.

35. The total cost of the proposed five-year agreement is £1,289,545, comprising £289,745 of up-front charges for the upgrade to 'W3' and implementation of MultiVue, with ongoing support charges of £199,960 pa.

Legal

36. The Council is using a recognised framework, CCS RM3821, for this contract and utilising the option to make a direct award. This is compliant with the Public Contract Regulations 2015.

Statutory Considerations

Consideration	Details of any implications and proposed measures to address:
Equality and Diversity	Positive- Customer benefit include access to services online, which will result in a wider range of services available on line 24/7 without the need to visit face op face or phone. Improvements to the non-wired connection ensures that the whole workforce will benefit from the opportunity for hybrid working.
Health, Social and Economic Impact	Positive – supports IT solutions across the council and provides. Supporting good methods of communication across the workforce and with customers. Improved access to Civica while working at home will have a positive impact to the workforce.
Crime and Disorder	Improved quality and access to customer information and our partner agencies.
Children and Adults Safeguarding	Improved quality and access to customer information and our partner agencies.
Environmental Impact	Positive- Providing customer information digitally reduces the need for printing and postage and a digital workforce that has the right tools to enable flexible and virtual working helps towards reducing our carbon footprint.

A high-level Equality Impact Assessment has been completed with no negative outcomes

Risk Management

Risk	Consequence	Controls Required
Not extending this contract	Severe disruption to council services as Civica process and customer data is inextricably linked to IT provision across the council. Remaining on existing infrastructure will compromise the council's compliance with PSN (Security) requirements. Implementing MDM is a key platform for the transformation that is part of the Customer Experience and Digital strategy, introducing Master Data Management as a means of linking data and intelligence on our customers to support efficient and effective service delivery across multiple teams and business areas	Report progress to key officers.

Other Options Considered

37. The following options have been considered:
    - Do nothing – there would be no improvements to performance for staff and we will fail our PSN & PCI compliance, potentially losing access to the DWP data and incurring fines respectively.

    - Procure alternative DMS / CRM solutions – an assessment against other products has been made, with the assistance of external consultancy, and has concluded that Civica offers the best value product functionality with minimum disruption.

    - Upgrade Civica W3 (without MDM) – there would be no improvement to data management, nor any significant transformation of our services to customers.

    - Upgrade Civica W3 and include Multivue (MDM)– this would provide improvements to user functionality and performance for agile working, as well as data management that will drive efficiencies through improved system capabilities and development. The system specification and cost has been assessed against market leaders and the packaged price offers the best product and value for money

Reasons for the decision/recommendation

38. The recommendation to award is because the current five-year agreement expires on 11 April 2022 and without this support, core elements of the IT service will not be available for the workforce and our customers.

Contact Officer:
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Programme title	Award contract for Contact manager, workflow and document management system, including master data management systems	**Programme start date**	31 March 2022
Team	Customers, It and digital	**Directorate**	Community services
Senior leadership team sponsor	Julia Medler	**Role**	Head of customers, IT and digital
Officer completing	Paul Gooch	**Role**	Applications and support manager

What are the main aims or purpose of the programme?
- Reduces duplication of data entry across multiple systems, reducing the potential for inconsistency or error and providing efficiencies;
- Provides officers of a wider view of a resident's different contact with the Council, enabling the council to support them more effectively first time, with reduced handover between departments – thus improving residents' experience
- Enables better decisions to be made in relation to residents by having a more comprehensive picture of their needs
- Improves the effectiveness sharing of data between the Council and other organisations (where it is lawful to do so), again helping to improve outcomes for residents
- Supports the Council to target support and services to those residents who need them the most

How does it fit with other services and policies, and how does it support our corporate objectives?
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The development of these systems is also a key deliverable of the customer experience and digital strategy

What outcomes do we want to achieve, why and for who?
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- significant improvements to managing workloads through work dashboards.
- a portal that will enable customers to access their services online, for example complaints, comments, and compliments.

The multivue software will provide the platform to automatically link customer data between systems, from which a single view of customer data can be made available for council staff and our customers accessing individual information and services online (self-serve). The additional functionality will be able to use and manage this data across other assets and resources within the council. A single customer view will benefit those with a protected characteristics eg better able to support customers access to services due to disability, language barriers etc.

Will anyone be disproportionately affected by the programme (customers, employees, those with protected characteristics or groups in the wider community)?
No, the aim is to improve services for all customers, employees, those with protected characteristics and the wider community.

If yes, will these be adverse impacts (specify whether high, medium or low impacts)?
n/a

If yes, can the impacts be	a) justified? n/a	b) mitigated? n/a

What is the reason for the proposal or change (financial, legal etc)? *The Equality Act requires us to make this clear.*
- We are reviewing the contract
- We need to improve what we have to deliver the customer experience and digital strategy.

Officer completing EqIA	Paul Gooch	**Date**	25/3/22
SLT sponsor	Julia Medler	**Date**	25/3/22
Equality lead (strategy team)	Emma Smith	**Date**	28/03/22