

CORPORATE SUPPORT SERVICES EXTENSION

COMMENTS FROM THE OVERVIEW AND SCRUTINY MANAGEMENT BOARD

At a virtual meeting on 28 May 2020, the Overview and Scrutiny Management Board considered the report and unanimously agreed to support the recommendations to the Executive.

The following points were confirmed:

- The improved performance of Serco over the past 18 months provided reassurance that the contract with Serco could be extended for a further two years to 31 March 2024. In addition, Serco had provided a lot of support and worked in partnership with the Council during the COVID-19 pandemic.
- It had been planned to remove all obsolete IMT equipment from the estate by 1 April 2020, but this had not been achieved within the agreed timeline. Under the extended contract, Serco would release the Council from its obligation to remove obsolete equipment which would have resulted in an increase in costs to the Council to reflect the additional work caused by obsolescence. Obsolete equipment would need to be addressed over the next 12 months as the current situation had gone on for too long, and the Council could not go out to the market with obsolete equipment as it would lead to increased costs for the Council.
- The current Lagan Customer Relationship Management (CRM) system which supported the Customer Service Centre (CSC) was outdated and needed upgrading or replacing. Serco had offered to upgrade to a later version of Lagan at its own cost which would give an updated CRM system to improve delivery for customers. An analysis would be undertaken over the next couple of months to ensure it was the right technical solution and that there would be no unintended technology implications for the Council arising from the proposal.
- The extension of the contract would enable some savings and cost avoidance amounting to approximately £5M over the next four years. The budgets for the additional two years to the contract in 2022/23 and 2023/24 had not yet been approved by the Council but would be set in the future based on the savings identified and current contract volumes. Complete assurance could not be provided as to the sufficiency of the budget, as the budget would be based on predicted volumes of activity whilst the contract charges would be based on the actual volumes of activity carried out. It was expected that the existing budget provision would be sufficient, however, any changes to either the contract or volumes could result in a cost pressure in the future.

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