



**Open Report on behalf of Andrew Crookham, Executive Director - Resources**

Report to:	<b>Executive</b>
Date:	<b>05 July 2022</b>
Subject:	<b>Procurement of LCC Telephony System</b>
Decision Reference:	<b>I026119</b>
Key decision?	<b>Yes</b>

**Summary:**

The Customer Service Centre (CSC) currently uses Avaya as its on-premise telephony platform. A long overdue “stabilisation upgrade” of Avaya is in progress. The upgrade will provide a stable platform but will not provide the functionality required to support customers to access our services through a range of digital channels. Avaya is also a more costly solution than others in the market.

Utilising a compliant framework agreement to engage with the market, a preferred supplier has been identified to contract with for the Council’s VOIP telephony services and contact centre solution; Symity who have proposed the Anywhere 365 cloud contact-centre platform.

Symity have extensive experience of implementing the Anywhere365 product within the private and public sector for comparably sized organisations including the Department for Work and Pensions, the Insolvency Service and numerous NHS trusts and public institutions.

Anywhere365 would be a desirable solution for the Council. It offers native integration within MS Teams with full omnichannel contact centre functionalities, including voice, email, WhatsApp, chat and social media. Anywhere365 allows the Council to leverage the existing investments it has made in Microsoft platforms and applications with the added advantage that staff are familiar with this environment.

Indicative costs have been provided but detailed scoping activity is now required between Symity and LCC to firm up implementation costs and timescales and annual costs. Serco implementation costs also need to be agreed.

**Recommendation(s):**

That the Executive:-

1. approve the replacement of the Avaya telephony system for LCC and its Customer Service Centre.
2. approve continued engagement with Symity for the implementation of the Anywhere 365 cloud contact centre solution as a replacement of the council's existing Avaya telephony solution.
3. delegate to the Executive Director – Resources in consultation with the Executive Councillor for Highways, Transport and IT authority to award a contract for 5 years to Symity for the Anywhere 365 cloud contact centre solution in light of the engagement referred to in Recommendation 2 above.

**Alternatives Considered:**

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| 1. | <p>LCC continue to use Avaya for its Customer Service Centre and telephony system.</p> <p>Alternative suppliers and solutions have been explored. Of those available through the RM3808 Framework Agreement the best solution for the Council's requirements – balancing cost against functionality and quality - is considered to be the Anywhere 365 solution provided by Symity.</p> |
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**Reasons for Recommendation:**

The current Avaya telephony solution is expensive, and it does not provide the functionality required to meet the needs of our customers without further investment.

Symity's solution is comprehensive and offers good value for money and their experience provides assurance that they have a good understanding of the Council's current situation and direction, providing solutions which comprehensively meet the Council's telephony and contact centre requirements. Their solution also confirmed findings from the market engagement activity conducted prior to procurement that Anywhere365 would be a desirable solution for the Council.

Detailed scoping activity between Symity and LCC will finalise the costings and inform the savings for LCC based on the current Avaya telephony costs. It is estimated that the council could achieve at least £1m savings over the next 5 years.

**1. Background**

The Customer Service Centre (CSC) currently uses Avaya as its on-premise telephony platform. A long overdue "stabilisation upgrade" of Avaya is in progress. The upgrade will provide a stable platform and importantly has provided LCC the time to evaluate its future telephony options, make a decision and implement the solution for LCC in readiness for

the end of the Serco contract in March 2024. It should be noted that despite the upgrade to the Avaya platform, it is dated and does not have the functionality required to meet our commitment to the Customer Strategy to utilise modern technologies to ensure that customers can access our service through a range of digital channels.

Over recent years telephony services have moved to become digital communication services. Artificial Intelligence has further changed the market through the introduction of automated interfaces that understand and reply on spoken language or text to the customer – “bots”. This technology has enabled businesses to redesign their processes and release efficiencies allowing customer service advisors to focus less on routine activity and more on value adding complex cases.

The market offer regarding digital telephony, more specifically Cloud based telephony, has developed and matured significantly in the last 18-24 months largely driven by the Covid pandemic which forced alternative ways of working. This fast development of the market means that the Council can radically rethink its telephony provision and access new capabilities that might have been in the past out of reach financially.

Since Covid, LCC have adopted the use of Microsoft Teams as the main means of internal and inter-organisation communication replacing the requirement for a large number of desk phones. In doing so the Council has implemented a significant enabler towards an integrated cloud based digital telephony platform and can leverage this investment in Microsoft technology along with a new telephony platform to achieve a better customer experience overall.

It is therefore recommended that the Avaya telephony system is replaced for LCC and its Customer Service Centre.

### **Telephony Solution**

The new telephony solution for the council must be able to deliver the council’s ambitions within the Digital Strategy, the Customer Strategy and the IMT Strategy and as such a Cloud based contact centre has been selected as the most appropriate solution. Integration with Microsoft, in particular Microsoft Teams, is important as it brings additional benefits and will further support the Councils alignment to Microsoft products for consistency, ease of use and leverage the data contained within existing systems.

### **Market Engagement**

The project team have pursued a procurement through CCS RM3808 ‘Network Services’ framework agreement which is a compliant and well-established procurement instrument offering a number of benefits over the more usual G-Cloud procurement process for comparatively little additional work. It also allows a longer contract term than G-Cloud which we expect will achieve a better commercial offer and provides more continuity for the selected cloud platform.

As part of this process the Council released a set of requirements and associated information to suppliers listed on the relevant lots of the framework on the 4<sup>th</sup> May. This

information was compiled from several key sources across the Council including IMT, Matrix team (Transport), Commercial Team (Procurement and Customer Service Centre Lead) and included an overview of the Council's requirements for VOIP telephony and a cloud-based contact centre platform. A deadline was set for the 16<sup>th</sup> May; the RFI attracted a good deal of attention from many suppliers on the framework and was generally positively received. As a result of this process a number of suppliers responded. A large number of the responses were dismissed as their responses were too vague to compare against. Four potential suppliers were shortlisted for further evaluation.

### **Preferred supplier and solution**

Evaluation of supplier and solution listings for functionality, components, project delivery and price suggest that the most suitable supplier to contract with for the Council's VOIP telephony services and contact centre solution is the Anywhere 365 solution provided by Symity. Symity's offering provides a comprehensive and value for money solution and their experience demonstrates that they have a good understanding of the Council's current situation and direction and which comprehensively meets the Council's telephony and contact centre requirements. Their solution also confirmed the findings of the market engagement activity and that Anywhere365 would be a desirable choice for the Council.

Symity have extensive experience of implementing the Anywhere365 product within the private and public sector for comparably sized organisations including the Department for Work and Pensions, the Insolvency Service and numerous NHS trusts and public institutions.

Benchmarking and comparisons with other offers and platforms suggest that the price provided by Symity is competitive.

### **Costs**

Consideration of available costings on a purely indicative basis suggest that Anywhere365 would cost in the region of £1.3m over the next 5 years. The Serco implementation costs are unknown at this stage.

The estimated costs for the Avaya platform over the next 5 years are in the region of £4.3m.

### **Next Steps**

Indicative costs have been provided but detailed scoping activity is now required between Symity and LCC to firm up implementation costs and timescales and annual costs.

As the estimated Avaya costs may be anything up to £3m more than the indicative Symity costs it is recommended that work to finalise costings is progressed and a contract is awarded to Symity for the Anywhere 365 platform should those discussions prove fruitful. The decision to award a contract would be made by the Executive Director – Resources in consultation with the Executive Councillor for Highways Transport and IT under the delegation proposed in recommendation 2.

## 2. Legal Issues:

### Equality Act 2010

Under section 149 of the Equality Act 2010, the Council must, in the exercise of its functions, have due regard to the need to:

- Eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Act.
- Advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it.
- Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

The relevant protected characteristics are age; disability; gender reassignment; pregnancy and maternity; race; religion or belief; sex; and sexual orientation.

Having due regard to the need to advance equality of opportunity involves having due regard, in particular, to the need to:

- Remove or minimise disadvantages suffered by persons who share a relevant protected characteristic that are connected to that characteristic.
- Take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of persons who do not share it.
- Encourage persons who share a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.

The steps involved in meeting the needs of disabled persons that are different from the needs of persons who are not disabled include, in particular, steps to take account of disabled persons' disabilities.

Having due regard to the need to foster good relations between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to tackle prejudice, and promote understanding.

Compliance with the duties in section 149 may involve treating some persons more favourably than others.

The duty cannot be delegated and must be discharged by the decision-maker. To discharge the statutory duty the decision-maker must analyse all the relevant material with the specific statutory obligations in mind. If a risk of adverse impact is identified consideration must be given to measures to avoid that impact as part of the decision-making process.

This proposal is not considered to have an adverse impact on people who share a protected characteristic compared to those who do not. The solution introduces additional access channels and enables greater choice and flexibility to those with protected characteristics.

Joint Strategic Needs Assessment (JSNA and the Joint Health and Wellbeing Strategy (JHWS)

The Council must have regard to the Joint Strategic Needs Assessment (JSNA) and the Joint Health and Wellbeing Strategy (JHWS) in coming to a decision.

This proposal is not considered to have any implications for the JSNA and JHWS.

Crime and Disorder

Under section 17 of the Crime and Disorder Act 1998, the Council must exercise its various functions with due regard to the likely effect of the exercise of those functions on, and the need to do all that it reasonably can to prevent crime and disorder in its area (including anti-social and other behaviour adversely affecting the local environment), the misuse of drugs, alcohol and other substances in its area and re-offending in its area.

This proposal is not considered to have any implications for crime and disorder.

**3. Conclusion**

The Customer Service Centre (CSC) currently uses Avaya as its on-premise telephony platform. A long overdue “stabilisation upgrade” of Avaya is in progress. The upgrade will provide a stable platform but will not provide the functionality required to support customers to access our services through a range of digital channels. Avaya is a more costly solution.

Utilising a compliant framework agreement to engage with the market, a preferred supplier has been identified to contract with for the Council’s VOIP telephony services through the Anywhere 365 cloud contact-centre platform.

The Report recommends further discussion with a view to the award of a contract to the preferred supplier Symity for a period of 5 years

**4. Legal Comments:**

The Council has the power to enter in the contract proposed.

The decision is consistent with the Policy Framework and within the remit of the Executive

## **5. Resource Comments:**

Funding for the Council's current level of telephony costs is included in the approved revenue budget. Although further work is required to finalise the scope of activity required to transition to the recommended solution and confirm implementation and annual costs, the project is expected to yield substantial annual savings.

## **6. Consultation**

### **a) Has Local Member Been Consulted?**

N/A

### **b) Has Executive Councillor Been Consulted?**

Yes

### **c) Scrutiny Comments**

The decision will be considered by Overview and Scrutiny Management Board on 30 June 2022 and the comments of the Board will be reported to the Executive.

### **d) Risks and Impact Analysis**

A full risk appraisal to support the implementation of the telephony system will be completed with the supplier, IMT and Serco as part of the delivery project.

## **7. Background Papers**

No background papers within Section 100D of the Local Government Act 1972 were used in the preparation of this report.

This report was written by Lee Sirdifield, who can be contacted on [Lee.Sirdifield@lincolnshire.gov.uk](mailto:Lee.Sirdifield@lincolnshire.gov.uk).

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