

## Agenda No

### ***AGENDA MANAGEMENT SHEET***

<b>Report Title:</b>	Allocation of budget for new website and integrated customer relationship management systems
<b>Name of Committee:</b>	Emergency Powers as detailed within this report
<b>Report Director:</b>	Head of Communities and Homes
<b>Portfolio:</b>	Communities and Homes
<b>Ward Relevance:</b>	All
<b>Prior Consultation:</b>	Group leaders, Portfolio Holders and O&S committee chairs.
<b>Contact Officer:</b>	Jeremy Carter
<b>Public or Private:</b>	Public
<b>Report Subject to Call-In:</b>	No
<b>Report En-Bloc:</b>	No
<b>Forward Plan:</b>	Yes
<b>Corporate Priorities:</b>  (CR) Corporate Resources (CH) Communities and Homes (EPR) Environment and Public Realm (GI) Growth and Investment	<p>This report relates to the following priority(ies):</p> <ul style="list-style-type: none"><li><input checked="" type="checkbox"/> To provide excellent, value for money services and sustainable growth</li><li><input type="checkbox"/> Achieve financial self-sufficiency by 2020</li><li><input type="checkbox"/> Enable our residents to live healthy, independent lives</li><li><input type="checkbox"/> Optimise income and identify new revenue opportunities (CR)</li><li><input checked="" type="checkbox"/> Prioritise use of resources to meet changing customer needs and demands (CR)</li><li><input checked="" type="checkbox"/> Ensure that the council works efficiently and effectively (CR)</li><li><input type="checkbox"/> Ensure residents have a home that works for them and is affordable (CH)</li><li><input checked="" type="checkbox"/> Deliver digitally-enabled services that residents can access (CH)</li><li><input type="checkbox"/> Understand our communities and enable people to take an active part in them (CH)</li><li><input type="checkbox"/> Enhance our local, open spaces to make them places where people want to be (EPR)</li><li><input type="checkbox"/> Continue to improve the efficiency of our waste and recycling services (EPR)</li></ul>

- ☐ Protect the public (EPR)
- ☐ Promote sustainable growth and economic prosperity (GI)
- ☐ Promote and grow Rugby's visitor economy with our partners (GI)
- ☐ Encourage healthy and active lifestyles to improve wellbeing within the borough (GI)
- ☐ This report does not specifically relate to any Council priorities but

<b>Statutory/Policy Background:</b>	As detailed within the E&D Assessment
<b>Summary:</b>	A supplementary budget and the reallocation of an existing budget are requested to provide a new digital experience platform in time for the expiry of the council's Customer Relationship Management system contract
<b>Financial Implications:</b>	The requested budget is an additional £68,000, as detailed in the report.
<b>Risk Management Implications:</b>	The ending of the existing CRM contract in February 2021 presents a significant risk that the council will not be able to handle customer enquiries online or via telephone, and all online transactional capability will cease. The proposed new contract mitigates this risk.
<b>Environmental Implications:</b>	There are limited environmental implications. The recommendation supports the council's accelerated delivery of online services reducing the need for face-to-face and paper-based transactions so there may be a consequential benefit to the council's carbon reduction objectives.
<b>Legal Implications:</b>	The recommendation proposes entering into a new contract via the Government G-Cloud framework. The additional statutory considerations are detailed within Equality & Impact Assessment.
<b>Equality and Diversity:</b>	There are limited equality and diversity implications. The recommendation supports the council's objective to provide an improved online customer journey and simplified transactions that will benefit customers with disabilities or who are digitally less-able.

The Council has a requirement under the Public Sector Equality Duty (s149 of the Equality Act 2010) to have due regard to (i) eliminate unlawful discrimination, harassment, victimisation and other conduct prohibited by the Act, (ii) advance equality of opportunity between people from different groups, and (iii) foster good relations between people from different groups. In considering this decision the Council has had 'due regard' in accordance with its statutory obligations. This is further detailed within the attached Equality Impact Assessment.

**Options:**

It would be possible to procure a replacement customer relationship management system and retain the existing content management system but this would not provide any cost or efficiency benefits over the proposed solution.

**Recommendation:**

1. Supplementary General Fund capital and revenue budgets totalling £89,720 for the new website and integrated customer relationship management systems implementation and annual running costs, as detailed in the report, be approved.
2. Approval for the new website and integrated customer relationship management systems
3. Delegated Authority to the Head of Communities and Homes in consultation with the Monitoring Officer to enter into all legal agreements arising from the proposed framework and any other additional agreements required in respect of the above recommendations.

**Reasons for Recommendation:**

To allow the council to continue to manage customer enquiries post February 2021 and to support the acceleration of digitalised council services.

## **Agenda No**

### **Emergency Decision- Council - 12 June 2020**

#### **Allocation of budget for new website and integrated customer relationship management systems**

#### **Public Report of the Head of Communities and Homes**

##### **Recommendation**

1. Supplementary General Fund capital and revenue budgets totalling £89,720 for the new website and integrated customer relationship management systems implementation and annual running costs, as detailed in the report, be approved.
2. Approval for the new website and integrated customer relationship management systems
3. Delegated Authority to the Head of Communities and Homes in consultation with the Monitoring Officer to enter into all legal agreements arising from the proposed framework and any other additional agreements required in respect of the above recommendations.

## **1 PURPOSE OF REPORT**

1.1 This report requests supplementary budget approval and approval for new customer relationship management and website content management systems. The budget is required as the existing contract for the council's customer relationship management system expires at the end of February 2021 and cannot be extended. The identified replacement will enable a truly integrated customer experience between the website and transactional processes allowing the council to make a step-change in its digital services.

1.2 Some existing budget can be transferred to offset some of the costs as the proposed AI project will not go ahead.

## **2 BACKGROUND INFORMATION**

2.1 Rugby Borough Council has been using two separate systems for its customer relationship management (CRM) and content management system (CMS). The CRM function is currently being delivered by Firmstep while the CMS platform is run on JADU. The council's contract with Firmstep expires at the end of February 2021 and cannot be extended. A market analysis against the council's current specification was undertaken and this highlighted that the current solutions do not give either our internal staff or external customers a fully digital experience.

2.2 The CRM holds all of the records used by the customer service centre. It keeps a complete log of all relevant customer contacts and requests. The system is also configured to process requests and provide services to residents. The CRM delivers these same processes to the internet via an online platform, allowing customers to make requests and pay for services online.

2.3 The CMS is used to create and manage website content. It is populated with information and documents that become webpages and downloads.

2.4 Due to their incompatibilities, lack of integration and some areas of limited functionality the two systems provide a confusing customer journey that has resulted in limited takeup of digital services. For this reason they no longer meet the organisation's digital vision.

2.5 A comprehensive market review has been undertaken, involving a team consisting of members of the Communications Team, members of the Customer services team, members of the Information Technology team and the project sponsor. After the market review three suitable vendors were invited to give preliminary demonstrations of an integrated CRM, CMS solution, including estimated three-year costs for budgetary purposes.

2.6 The demonstrations showed that all three solutions would provide an updated and improved customer experience and improved web management. However, two of the solutions only offered limited integration between the CRM and CMS solutions, leaving some difficulties with providing the single sign-on and integrated customer experience that we would prefer. The third solution is a truly integrated product built on an open source platform that is completely customisable to the council's requirements. Coined a Digital eXperience Platform (DXP), the third solution fulfils all the requirements for service continuation and improvement as well as theoretically unlimited scope for expansion into future integrations and developments, including complete system replacement across all services.

2.7 There is a tight deadline set for the implementation due to the current system's license expiring on 28 February 2021. As this is an extension to the original 3 year contract a full market appraisal will be required. The new/upgraded CRM system needs to be in place and in a testing phase by the end of 2020 to allow for continuity of services over the changeover period.

2.8 The replacement CRM and CMS and the single most important project for the digitalisation of customer and back-office services. The proposed AI project that was approved in the Budget in February will not now go ahead as resources are refocused, and it is proposed that the funding for this project be reallocated.

### **3 AN INTEGRATED WEBSITE AND CRM**

3.1 The primary driver is to provide a positive, digital, online experience for customers and, to achieve this, there needs to be a total transformation of:

- how Council services are accessed and delivered;
- how the information about these services is made available to customers; and
- how Council services interlink across the organisation.

3.2 By positively transforming the customer experience, this will enable individuals to access their own data and records whilst also accessing the services they need at times that suit them.

3.3 There needs to be scope for collaboration with other authorities to enable quicker development of solutions, modules and integrations and to share good practice and reduce costs.

3.4 An integrated digital platform will support multiple public facing websites and, with an integrated CMS, there will be a customer self-service platform which feeds requests into a CRM and Workflow system for staff to manage and process requests. The platform will introduce increased functionality, specifically in terms of the creation of forms, workflow and integration with other systems. It will support the various single sign-on methodologies to support the use of existing and future web portals. There will be wider organisational scope with the ability to engage across all levels of the business.

3.5 The proposed vendor's open system approach aligned well with established priorities:

- to utilise open standards;
- to integrate with 3rd party systems; and
- their business model of providing modules developed for other customers for no additional cost is very appealing.

## **4 ADDITIONAL BENEFITS**

4.1 The proposed CRM and CMS platform provides a powerful digital platform on which any number of further systems can be built. The potential for the new platform is limited only by staff time and skills, though future development will also be constrained by the council's risk appetite at the time.

4.2 It will be possible to use the platform to provide a member case management system for members to log and process enquiries, while existing case management systems, such as the service desk solution currently used by the council's IT team, can be retired as they come up for renewal. The savings from not procuring new systems and retiring old systems are not included in the costs detailed below.

## **5 FINANCING THE INTEGRATED CRM/CMS**

5.1 Following demonstration, the three shortlisted solutions were evaluated for cost. The table shows that vendor 3, which is offering the most technically advantageous solution, is marginally more expensive over a three-year comparative period.

	<b>Vendor 1</b>	<b>Vendor 2</b>	<b>Vendor 3</b>
Implementation	£102,000	£67,350	£88,000
Annual costs	£74,400	£69,090	£80,000
<b>3 Yr Total</b>	<b>£325,200</b>	<b>£274,620</b>	<b>£328,000</b>

5.2 For comparison purposes it can be noted that the combined cost of the existing CRM and CMS systems is £52,760 per year. The CRM contract expires in 2021 and cannot be extended.

5.3 In February 2020 the council approved budget of £80,000 per year for four years for the adoption of Artificial Intelligence / Chatbot services that would drive customer improvement. However, having identified the proposed CRM and CMS platform and recognised that its full adoption has the potential to transform council services, the AI project will not now go ahead as intended. It is proposed that the capital budget allocated for the AI project be reprofiled and used to offset some of the implementation cost of the new platform.

5.4 In addition, a further £15,000 annually may be requested through the annual capital bid process to allow for extra development work. This amount will be confirmed annually once the scope of the development work is known.

	Capital Expenditure	Ongoing Implications	Revenue	
	Year 1	Year 2	Year 3	Total
CRM/CMS implementation	£88,000			£88,000
CRM/CMS annual running costs	£80,000	£80,000	£80,000	£240,000
Total cost of CRM/CMS	£168,000	£80,000	£80,000	£328,000
Proposed reprofiling of AI /Chatbot budget	(£80,000)	-	-	(£80,000)
Existing budget	(£52,760)	(£52,760)	(£52,760)	(£158,280)
<b>Budget sought</b>	<b>£35,240</b>	<b>£27,240</b>	<b>£27,240</b>	<b>£89.720</b>

## 6 CONCLUSION

6.1 The council needs to procure a customer relationship management system for implementation before the end of February 2021.

6.2 The proposed solution captures the benefits of truly integrated customer relationship management and content management systems, providing a platform that will allow the council to accelerate its provision of digital services.

6.3 The proposal represents an increased annual cost of £27,240 per year after setup costs, while allowing for future rationalisation of systems and increased functionality. Supplementary capital and revenue budgets as set out in table at 5.4 are required to implement and maintain the system from 2021/22 until 2023/24.

## 7. EMERGENCY DECISION

7.1 This decision is being made under emergency constitutional powers. This is due to COVID-19 and the inability for the Council to hold Full Council meetings. The Council has now held its first virtual Cabinet meeting but presently is undertaking work

in preparation for the first Full Council meeting on the 21 July. In the absence of such meetings there are emergency powers that can be exercised by the Executive Director. This is in consultation with Group Leaders, relevant Portfolio Holder and the Chairman of Overview and Scrutiny.

7.2 An urgent decision is required to allow sufficient time to develop the replacement digital experience platform before the conclusion of the existing CRM licence agreement at the end of February 2021. The existing licence cannot be extended without full open market procurement.

7.3 If the Council is not able to progress this by the end of June then this will result in significant disruption to the Council. This means that an emergency decision is required as set out within the Council Constitution and the Council cannot await the presently scheduled Full Council meeting of the 21st July.



**Name of Meeting:** Emergency Decision Council

**Date of Meeting:** 12 June 2020

**Subject Matter:**

**Originating Department:** Please select

**DO ANY BACKGROUND PAPERS APPLY**

☐ YES

☐ NO

**LIST OF BACKGROUND PAPERS**

Doc No	Title of Document and Hyperlink

The background papers relating to reports on planning applications and which are open to public inspection under Section 100D of the Local Government Act 1972, consist of the planning applications, referred to in the reports, and all written responses to consultations made by the Local Planning Authority, in connection with those applications.

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☐ Exempt information is contained in the following documents:

Doc No	Relevant Paragraph of Schedule 12A