

**ITEM 11. TENDER - CALL CENTRE SERVICES - AFTER HOURS CALLS AND
PARKING TICKET MACHINE ENQUIRIES**

FILE NO: X007670.014

TENDER NO: 1712

SUMMARY

The City of Sydney's Customer Service and Parking Services units require the provision of a call centre to service after-hours customer calls and any parking ticket machine enquiries received, in particular, to assist motorists who encounter machine faults or difficulties.

Call centre services are provided 24 hours a day, seven days a week for Parking Services. From 9am to 5pm Monday to Friday (excluding public holidays), Customer Service calls are answered by the City's internal call centre. Outside of these hours, calls are diverted to an after-hours provider.

This report provides details of the tenders received for call centre services - after hours and parking ticket machines. It is recommended that Council accept the tender offer of Tenderer 'B'. Detail of the recommended tenderer is provided in confidential Attachment A.

RECOMMENDATION

It is resolved that:

- (A) Council accept the tender offer and schedule of rates of Tenderer 'B' for call centre services - after hours and parking ticket machines for a period of two years, with two options for an extension of one year each, if appropriate;
- (B) authority be delegated to the Chief Executive Officer to negotiate, execute and administer the contract relating to the tender; and
- (C) authority be delegated to the Chief Executive Officer to exercise the options referred to in clause (A), if appropriate, and negotiate the prices to extend the contract accordingly.

ATTACHMENTS

Attachment A: Tender Evaluation Summary (Confidential)

Attachment B: Proposed Contract Schedule of Rates (Confidential)

(As Attachments A and B are confidential, they will be circulated separately from the agenda paper and to Councillors and relevant senior staff only.)

BACKGROUND

1. The City of Sydney's Customer Service and Parking Services units require the provision of a call centre to service after-hours customer calls and any parking ticket machine enquiries received, in particular, to assist motorists who encounter machine faults or difficulties.
2. The City of Sydney currently provides call centre services 24 hours a day, seven days a week. From 9am to 5pm Monday to Friday (excluding public holidays), Customer Service calls are answered by the City's internal call centre. Outside of these hours, calls are diverted to an after-hours provider.
3. The types of calls received by the after-hours service range from general information requests to complaints about activities in public places, illegal parking, animals, noise, waste and rubbish, building and construction work, roads and footways and licensed premises.
4. The City has around 1,383 pay-and-display ticket machines maintained by a service provider. When using ticket machines, motorists who experience any issues can call the phone number listed on the ticket machine for assistance. Where required, the call centre will need to record and dispatch jobs to the relevant provider to respond and rectify the fault.
5. In line with the City's Customer Service Charter, a professional, responsive and efficient service is to be delivered to the City's customers. The call centre is crucial in ensuring customer service to the City's residents, businesses and visitors, and also the operation of the parking ticket machine network.
6. A two year contract (with two additional one-year options) for call centre services for after hours and parking meters was awarded to Customers 1to1 on 1 December 2014. This contract ceased on 14 December 2016, as this provider was no longer operating as a business.
7. Under the approval granted pursuant to an exceptional circumstances memo, from 14 December 2016, an interim service provider was engaged on a month-to-month basis until a new service provider could be appointed.
8. The report also recommends that Council accept the tender offer and schedule of rates of Tenderer 'B' for a new two-year contract with two, one-year extension options.

INVITATION TO TENDER

9. The tender was advertised in The Sydney Morning Herald, The Daily Telegraph and Tenderlink on Thursday 2 March 2017 and closed on Thursday 23 March 2017.

TENDER SUBMISSIONS

10. Three submissions were received from the following organisations:
 - Contact Centres Australia Pty Ltd
 - Oracle Customer Management Solutions Pty Ltd
 - Well Done International Pty Ltd.

11. No late submissions were received.

TENDER EVALUATION

12. All members of the Tender Evaluation Panel have signed Pecuniary Interest Declarations. No pecuniary interests were noted.
13. The relative ranking of tenders as determined from the total weighted score is provided in the Confidential Tender Evaluation Summary – Attachment A.
14. All submissions were assessed in accordance with the approved evaluation criteria being:
- (a) the lump sum price and schedule of prices;
 - (b) demonstrated capacity and technical ability to carry out the work under the contract;
 - (c) key personnel, qualifications and number of personnel;
 - (d) experience in the provision of services of the same nature as the city;
 - (e) transition plan;
 - (f) the proposed methodology including provision of staff training and reporting (data management, access and reporting);
 - (g) environmental management;
 - (h) Work Health and Safety; and
 - (i) financial and commercial trading integrity including insurances.

PERFORMANCE MEASUREMENT

15. The performance of the service provider will be measured against the following Key Performance Indicators set out in the proposed contract:
- (a) calls answered within required time frames (per month);
 - (b) abandoned calls rate (per month);
 - (c) service complaints resolved (per month);
 - (d) reporting accuracy – instances of incorrect reports, graphs, charts or tables (excluding typographical errors) (per month);
 - (e) data exported to external management systems (errors per month); and
 - (f) quality assurance – score made up of mystery shopper results and review of weekly and random calls (average score of all results assessed per month).
16. If the service provider does not perform above agreed levels based on an assessment using the Key Performance Indicators, a rebate may be payable to the City.

FINANCIAL IMPLICATIONS

17. There are sufficient funds allocated for this project within the current year's operating budget and future years' forward estimates.

RELEVANT LEGISLATION

18. The tender has been conducted in accordance with the Local Government Act 1993, the Local Government (General) Regulation 2005 and the City's Contracts Policy.
19. Attachments A and B contain confidential commercial information of the tenderers and details of Council's tender evaluation which, if disclosed, would:
- (a) confer a commercial advantage on a person with whom Council is conducting (or progressing to conduct) business; and
 - (b) prejudice the commercial position of the person who supplied it.
20. Discussion of the matter in an open meeting would, on balance, be contrary to the public interest because it would compromise Council's ability to negotiate fairly and commercially to achieve the best outcome for its ratepayers.

CRITICAL DATES / TIME FRAMES

21. **Critical dates** – the existing contract expired on 14 December 2016 and arrangements with a temporary provider continue on a month-to-month basis. Council approval is required to approve expenditure to maintain service levels.
22. **Time frames** – commencement and transition is anticipated to occur, if approved by Council, by 1 June 2017.

OPTIONS

23. The City has the option to reject all tender offers and start a fresh tender process. However, this may jeopardise the delivery of call centre services for after hours and parking ticket machines. A fresh tender process is unlikely to attract additional tenders. This option is not recommended.

DAVID RIORDAN

Director City Operations

SYD CASSIDY

Director City Engagement

Ziggy Shlemon, A/Manager Strategy & Assets
Allister Brockley, A/Manager Customer Service