

Contract Extension - Customer Relationship Management Services for the National CitySwitch Green Office Program

File No: X018227

Summary

The CitySwitch Green Office program became a national program in 2009, through a partnership with capital-city councils coordinated by the City of Sydney. Each participating organisation has signed a memorandum of understanding with the City and makes a financial contribution to participate and access shared services.

The CitySwitch national program has recently been renewed to 30 June 2021.

In October 2012, the City procured, through a competitive request for quotation process, a Customer Relationship Management service to support the program's national program managers. A contract with Jaythom Pty Ltd was executed for the period October 2012 to 30 June 2015. The financial contributions of other partner councils contribute to the cost of this service.

The current contract ends on 30 June 2019. A variation to extend the contract will bring the total contract value to an amount that requires Council approval.

This report recommends that Council approve a variation to extend the current contract to 30 June 2021, in line with the timeframe for the national program. A schedule of fees and anticipated expenditure is provided in Confidential Attachment A. The cost to the City is offset by contributions from CitySwitch partner Councils and the City's contribution is provided for in the Sustainability Programs budget for 2019/2020.

While there are other suppliers who offer Customer Relationship Management services similar to Jaythom Pty Ltd, there would be a negative impact on the delivery of the program should an alternative provider be sought. Jaythom Pty Ltd has an in-depth knowledge of the City's configuration, business rules and support expectations. In addition to this, Jaythom Pty Ltd has developed custom functionality which facilitates CitySwitch annual sustainability reporting with automated web publishing to communicate the program impact.

Changing to an alternative provider would significantly delay or temporarily halt the CitySwitch program with customer engagement, program reporting and communication abilities impacted. City Switch partners rely on this continuing service to the end of their memorandums of understanding with the City of Sydney in June 2021.

Recommendation

It is resolved that:

- (A) Council approve the variation to the CitySwitch Customer Relationship Management contract detailed in Confidential Attachment A to the subject report; and
- (B) authority be delegated to the Chief Executive Officer to negotiate, execute and administer the variation to the contract with Jaythom Pty Ltd.

Attachments

Attachment A. Costs for CitySwitch Customer Relationship Management System Services to 30 June 2021 (Confidential)

Background

1. The CitySwitch program started in 2005. It became a national program in 2009, through a partnership between other capital-city councils. The City has coordinated the national program since then, with each participating organisation signing a three-year Memorandum of Understanding with the City and making a financial contribution to participate.
2. In August 2012, the City went to market to establish a cloud-based Microsoft Dynamics Customer Relationship Management system to help manage the contacts and sustainability performance data for the national CitySwitch Green Office program. In October 2012, the City entered into a contract with Jaythom Pty Ltd, to 30 June 2015, approved by the Director under delegated authority.
3. The service comprises an ongoing subscription to the Customer Relationship Management platform for the national network of CitySwitch program managers.
4. The contract has since been varied five times:

No	Date	Change description	CitySwitch MOU
1	September 2013	Increased customisation to support efficiency.	2012-2015
2	May 2014	Development of additional features to facilitate Signatory Annual Progress Reporting.	2012-2015
3	June 2015	Extend contract to 30 June 2016.	2015-2018
4	April 2016	Extend contract to 30 June 2018, with an option for a one-year extension beyond this.	2015-2018
5	June 2018	Took option of extension to 30 June 2019.	2018-2021

5. An externally managed system provides the best option for meeting the needs of the program. The need to service external stakeholders makes it unsuitable for this product to be integrated with other City of Sydney databases.
6. There are other suppliers who support the relevant Microsoft Dynamics 365 and Office 365 services who could deliver a Customer Relationship Management service; however, the current provider has an in-depth knowledge of the City's configuration, business rules and support expectations. Jaythom Pty Ltd also provides customised services which enable sustainability program reporting and web publishing.
7. The CitySwitch national program has recently been renewed to 30 June 2021, with five partners signing 2018-2021 Memorandums of Understanding with the City. The CitySwitch program is not able to operate effectively without a Customer Relationship Management system in place. The CitySwitch National Steering Committee supports the continuation of the system by the current provider. As such, it is recommended that the contract is extended to align with the current timeframe of the program which is in place until June 2021.

8. The current provider has confirmed that they have the resources, personnel and capability to continue offering the service at current specifications and standards. A schedule of fees is provided in Confidential Attachment A.

Key Implications

Strategic Alignment - Sustainable Sydney 2030 Vision

9. Sustainable Sydney 2030 is a vision for the sustainable development of the City to 2030 and beyond. It includes 10 strategic directions to guide the future of the City, as well as 10 targets against which to measure progress. This report is aligned with the following strategic directions and objectives:
 - (a) Direction 2 provides a road map for the City to become A Leading Environmental Performer - the recommendation of this report supports this direction through supporting the City's ongoing delivery of the CitySwitch Sydney program, and leading the CitySwitch national program.

Organisational Impact

10. The CitySwitch Customer Relationship Management system is integral to the ongoing operations, continuous improvement, and future goals of both the CitySwitch National and CitySwitch Sydney programs. The Customer Relationship Management system contains records on every office tenancy within the CitySwitch program nationally, and associated records such as contacts and environmental-performance ratings. The system includes custom functionality developed by Jaythom Pty Ltd such as publishing summary information to the CitySwitch website and the provision of a secure portal on the City Switch website for Signatories to provide annual reporting data.
11. This approach aligns with the City's Information, Communication and Technology Strategic Plan, which recommends transition, where appropriate, to cloud-based computing and mobile-enabled applications to maximise the benefits afforded by these technologies.

Risks

12. Disruption to the Customer Relationship Management system and related services currently provided to the program would delay or prevent the achievement of the CitySwitch national and Sydney goals; specifically customer engagement activities and program reporting.

Environmental

13. The CitySwitch Green Office program contributes to significant environmental performance improvements in the local government area, and continuing to deliver the program is one of the City's actions in the Sydney's Sustainable Office Buildings Plan.

Budget Implications

14. The funding for the CitySwitch National Program includes contributions from national partners along with the City of Sydney.

15. There are sufficient funds within the CitySwitch program for the Customer Relationship Management services in the 2019/20 budget and future year forward estimates as detailed in Confidential Attachment A.

Relevant Legislation

16. Local Government Act 1993.
17. Attachment A contains confidential commercial information of the supplier's which, if disclosed, would:
 - (a) confer a commercial advantage on a person with whom Council is conducting (or proposes to conduct) business: and
 - (b) prejudice the commercial position of the person who supplied it.
18. 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

19. The current contract with Jaythom Pty Ltd expires 30 June 2019.

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