

Contract for chatbot implementation

Cabinet Member for Finance and Commissioning

Date: 23rd of May 2022
Agenda Item: N/A
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Key Decision? YES
Local Ward Members N/A

Lichfield
district council

**CABINET MEMBER
DECISION**

1. Executive Summary

- 1.1 We have a requirement through the “enhanced digital services” workstream of “Being a better council” to purchase software that will enable us to deploy chatbots to our website to be able to deliver an enhanced resident experience by being able to answer questions 24 hours a day 7 days a week.

2. Recommendations

- 2.1 That a contract is entered into with ICS.AI as the developer of the tools to assist in the creation of our own chatbot for a minimum period of 2 years and the option to extend for up to a further 2 years.

3. Background

- 3.1 The proposed agreement with ICS.AI is via the G-Cloud framework which is a compliant procurement method for these services.
- 3.2 The business drivers for the contract are:
- Reduce costs and call volumes by citizens to self-serve 24x7
 - Enable citizens to self-serve all services through natural language
 - Reduce service delivery and contact costs by up to 60%
 - Engage with citizens across a variety of channels and devices
 - Ethical edge deals with subversion, provocation and desperation
 - Answer 90% of questions right, first time
 - Use intent analytics to provide instant feedback on the service
 - Surface existing business systems for process automation
- 3.3 Based on the following assumptions the estimated contract spend for the initial two years will be £100,000:
- Additional consultancy above and beyond that included in the contract is not required.
- 3.4 In recommending this approach due diligence has been undertaken to compare the requirements against other resellers. The preferred reseller, has proven to be the only in the market who can provide a pre-trained chatbot, which significantly cuts the implementation time and takes advantage of the investment they have made in teaching the bot about local government services and the questions people have asked of similar bots. Going forward all of the ICS.AI local government chatbots can “learn” from each other and update with changing language and additional services.

Alternative Options	<ol style="list-style-type: none"> 1. Do nothing – this would mean the council would not be utilising advances in technology to deliver enhanced customer services. 2. Run a separate procurement activity – This would not utilise the combined buying power of the wider government sector, with no guarantee that it would result in an enhanced outcome and would likely incur additional costs and delays to other ongoing ICT projects.
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Consultation	Not applicable
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Financial Implications	<ol style="list-style-type: none"> 1. There is an approved budget of £200,000 in the BABC programme.
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Approved by Section 151 Officer	Yes
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Legal Implications	<ol style="list-style-type: none"> 1. The procurement will be via direct award on the G-Cloud framework. This a framework that has already been tendered and this approach is a permitted and legally compliant method of using the framework.
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Approved by Monitoring Officer	Yes
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Contribution to the Delivery of the Strategic Plan	<ol style="list-style-type: none"> 1. The provision of the desktop and server operating systems contributes towards the strategic aim of “a council that is fit for the future” as well as a part of the “Better Equipped” workstream of “Being a Better Council”.
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Equality, Diversity and Human Rights Implications	Not applicable
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Crime & Safety Issues	Not applicable
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Environmental Impact	Not applicable
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GDPR / Privacy Impact Assessment	Not applicable
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	Risk Description & Risk Owner	Original Score (RYG)	How We Manage It	Current Score (RYG)
A	The budget for the contract is not made available. Kevin Sleeman	Red (severe)	Confirm the budget is available through the Finance and Procurement team.	Green (tolerable)

	Background documents
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	Relevant web links
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